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LEGISLATIVE HISTORY

Public Law 89-670

H. R. 15963

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INDEX AND SUMMARY OF H. R. 15963

Mar.	2, 1966	Both Houses received the President's transportation message. H. Doc. 399. Print of document.
		Sen. Magnuson introduced S. 3010 which was referred to Senate Government Operations Committee. Print of bill as introduced.
June	27, 1966	Rep. Holifield introduced H. R. 15963 which was referred to House Government Operations Committee. Print of bill as introduced.
June	29, 1966	House committee voted to report H. R. 15963.
July	15, 1966	House committee reported H. R. 15963 with amendments. H. Report 1701. Print of bill and report.
July	18, 1966	Sen. Mansfield submitted an amendment to S. 3010.
July	27, 1966	H. Rules Committee reported resolution for consideration of H. R. 15963. (Printed resolution not received).
Aug.	24, 1966	House began debate.
Aug.	29, 1966	House concluded general debate.
Aug.	30, 1966	House passed H. R. 15963 with amendments.
Sept.	1, 1966	H. R. 15963 was referred to Senate Government Operations Committee. Print of bill as referred.
Sept.	22, 1966	Senate committee voted to report S. 3010.
Sept.	28, 1966	Senate committee reported S. 3010 with amendment. S. Report 1659. Print of bill and report.
		Senate committee reported H. R. 15963 without amendment. S. Report 1660. Print of bill and report.
Sept.	29, 1966	Senate passed H. R. 15963 with amendments.
		S. 3010 indefinitely postponed due to passage of H. R. 15963.

INDEX AND SUMMARY OF H. R. 15963, cont'd

Oct. 4, 1966 House conferees were appointed on H. R. 15963.

Oct. 5, 1966 Senate conferees were appointed on H. R. 15963.

Oct. 11, 1966 Conferees agreed to file a report on H. R. 15963.

Oct. 12, 1966 House received conference report on H. R. 15963. H. Report 2236. Print of report.

Oct. 13, 1966 Both Houses agreed to conference report.

Oct. 15, 1966 Approved: Public Law 89-670.

Hearings: Senate committee on S. 3010, Parts 1 - 4

DIGEST OF PUBLIC LAW 89-670

DEPARTMENT OF TRANSPORTATION ACT. Establishes a Cabinet-level Department of Transportation. Provides for an Under Secretary, four Assistant Secretaries, an Assistant Secretary for Administration, and a General Counsel. Establishes within the Department a Federal Highway Administration and a Federal Railroad Administration. Transfers the following Federal agencies and functions into the Department: Office of the Under Secretary of Commerce for Transportation, Bureau of Public Roads, Coast Guard, Federal Aviation Agency, the safety functions of the Civil Aeronautics Board and the Interstate Commerce Commission, certain functions of the Army Corps of Engineers, Great Lakes Pilotage Administration, Alaska Railroad, the St. Lawrence Seaway Development Corporation, and certain minor transportation-related activities of other agencies. Provides that the Act shall become effective 90 days after the new Secretary takes office or on such prior date as prescribed by the President and published in the Federal Register.

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OR

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D. C. 20250
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OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
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Issued March 3, 1966
For actions of March 2, 1966
89th-2nd; No. 37

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HIGHLIGHTS: Both Houses received President's transportation message. Sens. Tower, Young, O., and Proxmire criticized school milk budget cut. Rep. O'Neal, Ga., stated that food-for-peace program would not result in removal of acreage allotment controls. Sen. Curtis submitted and discussed measure re distribution among States of research funds.

SENATE

1. TRANSPORTATION. Both Houses received the President's transportation message in which he proposed the establishment of a Department of Transportation which would include the Office of the Under Secretary of Commerce for Transportation, Bureau of Public Roads, Federal Aviation Agency, Coast Guard, Maritime Administration, safety functions of the Civil Aeronautics Board, safety and car-service functions of the Interstate Commerce Commission, and the St. Lawrence Seaway Development Corporation (H. Doc. 399); to S. Government Operations and Commerce Committees (jointly). pp. 4351-6, 4434-9

2. FOREIGN AID. Passed without amendment H. R. 12563, to provide for U. S. participation in the Asian Development Bank (pp. 4483-91). This bill will now be sent to the President.
3. FOREIGN TRADE. Passed with amendments H. R. 6568, to make permanent the duty-free treatment or lower rates of duty temporarily applicable to copra, palm nuts, and palm-nut kernels, their oils, and specified fatty acids, salts, and other chemical products derived from the oils. Agreed to an amendment by Sen. Mansfield which he stated was technical and "will make certain that the rates of duty provided by this act are the rates to be taken into account by the President in cutting or raising tariffs on these products." pp. 4603-5
Sen. Eastland criticized the controls on exports to Rhodesia and inserted an editorial, "On the U. S. Policy Toward Rhodesia." pp. 4496-7
4. TAXATION. The Finance Committee reported with amendments H. R. 12752, the proposed Tax Adjustment Act of 1966 (S. Rept. 1010) (p. 4439). This bill was made the unfinished business (p. 4505).
5. SCHOOL MILK. Sens. Tower, Young, O., and Proxmire criticized the budget cut for the school milk program. pp. 4451, 4453-4, 4462
6. EDUCATION. Sen. Morse criticized the budget cuts for education programs, including funds for the land-grant colleges, and inserted several items in support of his position. Several Senators commended his remarks. pp. 4530-92
Sen. Gruening criticized the budget cut for Federal aid to schools in federally impacted areas. pp. 4529-30
7. NOMINATION. The Government Operations Committee reported the nomination of Elmer B. Staats to be Comptroller General. p. 4439
8. APPALACHIA. Sen. Cooper commended "the dispatch and efficiency with which the Appalachian Regional Commission has gone to work," and inserted an article discussing progress in the development of the region, including the building of roads and development of timber resources. pp. 4478-9
9. REGIONAL DEVELOPMENT. Sen. Kennedy commended the Secretary of Commerce for designating the six New England States as an economic development region under the Public Works and Economic Development Act under which a New England regional commission will study ways of promoting the economic development of the region. pp. 4472-3
10. ADJOURNED until Fri., Mar. 4. p. 4605

HOUSE

11. PERSONNEL. The Education Committee reported with amendment H. R. 10721, to amend the Federal Employees' Compensation Act to improve its benefits (H. Rept. 1304). p. 4430
12. TRANSPORTATION. Both Houses received from the Budget Bureau a proposed bill to establish a Department of Transportation; to Government Operations Committees. pp. 4430, 4434
13. RECLAMATION. The Interior and Insular Affairs Committee voted to report (but

PROPOSED DEPARTMENT OF TRANSPORTATION

MESSAGE

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

A PROPOSAL FOR A CABINET-LEVEL DEPARTMENT OF TRANSPORTATION CONSOLIDATING VARIOUS EXISTING TRANSPORTATION AGENCIES

MARCH 2, 1966.—Referred to the Committee on the Whole House on the State of the Union and ordered to be printed

To the Congress of the United States:

Two centuries ago the American Nation came into being. Thirteen sparsely populated colonies, strung out along the Atlantic seaboard for 1,300 miles, joined their separate wills in a common endeavor.

Three bonds united them.

There was the cultural bond of a single language.

There was the moral bond of a thirst for liberty and democratic government.

There was the physical bond of a few roads and rivers, by which the citizens of the colonies engaged in peaceful commerce.

Two centuries later the language is the same. The thirst for liberty and democracy endures.

The physical bond—that tenuous skein of rough trails and primitive roads—has become a powerful network on which the prosperity and convenience of our society depend.

In a nation that spans a continent, transportation is the web of union.

THE GROWTH OF OUR TRANSPORTATION SYSTEM

It is not necessary to look back to the 1760's to chronicle the astonishing growth of American transportation.

Twenty years ago there were 31 million motor vehicles in the United States. Today there are 90 million. By 1975 there will be nearly 120 million.

Twenty years ago there were 1.5 million miles of paved roads and streets in the United States. Today this figure has almost doubled.

Twenty years ago there were 38,000 private and commercial aircraft. Today there are more than 97,000.

Twenty years ago commercial airlines flew 209 million miles. Last year they flew 1 billion miles.

Twenty-five years ago American transportation moved 619 billion ton-miles of cargo. In 1964, 1.5 trillion ton-miles were moved.

The manufacturing of transportation equipment has kept pace. It has tripled since 1947. Last year \$4.5 billion was spent for new transportation plant and equipment.

Transportation is one of America's largest employers. There are—

737,000 railroad employees;

270,000 local and interurban workers;

230,000 in air transport; and

almost a million men and women in motor transport and storage.

Together with pipeline and water transportation employees, the total number of men and women who earn their livelihoods by moving people and goods is well over 2½ million.

The Federal Government supports or regulates almost every means of transportation. Last year alone, more than \$5 billion in Federal funds were invested in transportation—in highway construction, in river and harbor development, in airway operation and airport construction, in maritime subsidies. The Government owns 1,500 of the Nation's 2,500 oceangoing cargo vessels.

Our transportation system—the descendant of the horse-drawn coaches and sailing ships of colonial times—accounts for \$1 in every \$6 in the American economy. In 1965, that amounted to \$120 billion—a sum greater than the gross national product of this Nation in 1940.

SHORTCOMINGS OF OUR SYSTEM

Vital as it is, mammoth and complex as it has become, the American transportation system is not good enough.

It is not good enough when it offers nearly a mile of street or road for every square mile of land—and yet provides no relief from time-consuming, frustrating, and wasteful congestion.

It is not good enough when it produces sleek and efficient jet aircraft—and yet cannot move passengers to and from airports in the time it takes those aircraft to fly hundreds of miles.

It is not good enough when it builds superhighways for supercharged automobiles—and yet cannot find a way to prevent 50,000 highway deaths this year.

It is not good enough when public and private investors pour \$15 million into a large, high-speed ship—only to watch it remain idle in port for days before it is loaded.

It is not good enough when it lays out new freeways to serve new cities and suburbs—and carelessly scars the irreplaceable countryside.

It is not good enough when it adheres to custom for its own sake—and ignores opportunities to serve our people more economically and efficiently.

It is not good enough if it responds to the needs of an earlier America—and does not help us expand our trade and distribute the fruits of our land throughout the world.

WHY WE HAVE FALLEN SHORT

Our transportation system has not emerged from a single drawing board, on which the needs and capacities of our economy were all charted. It could not have done so, for it grew along with the country itself—now restlessly expanding, now consolidating, as opportunity grew bright or dim.

Thus investment and service innovations responded to special needs. Research and development were sporadic, sometimes inconsistent, and largely oriented toward the promotion of a particular means of transportation.

As a result, America today lacks a coordinated transportation system that permits travelers and goods to move conveniently and efficiently from one means of transportation to another, using the best characteristics of each.

Both people and goods are compelled to conform to the system as it is, despite the inconvenience and expense of—

- aging and often obsolete transportation plant and equipment;
- networks chiefly designed to serve a rural society;

- services long outstripped by our growing economy and population, by changes in land use, by new concepts in industrial plant location, warehousing, and distribution;

- the failure to take full advantage of new technologies developed elsewhere in the economy; and

- programs and policies which impede private initiative and dull incentives for innovation.

The result is waste—of human and economic resources and of the taxpayer's dollar.

We have abided this waste too long.

We must not permit it to continue.

We have too much at stake in the quality and economy of our transportation system. If the growth of our transport industries merely keeps pace with our current national economic growth, the demand for transportation will more than double in the next 20 years.

But even that is too conservative an estimate. Passenger transportation is growing much faster than our gross national product—reflecting the desires of an affluent people with ever-increasing incomes.

PRIVATE AND PUBLIC RESPONSIBILITY

The United States is the only major nation in the world that relies primarily upon privately owned and operated transportation.

That national policy has served us well. It must be continued.

But private ownership has been made feasible only by the use of publicly granted authority and the investment of public resources—

by the construction of locks, dams, and channels on our rivers and inland waterways;
by the development of a vast highway network;
by the construction and operation of airports and airways;
by the development of ports and harbors;
by direct financial support to the merchant marine;
by grants of eminent domain authority;
by capital equipment grants and demonstration projects for mass transit; and

in years past, by grants of public land to assist the railroads. Enlightened government has served as a full partner with private enterprise in meeting America's urgent need for mobility.

That partnership must now be strengthened with all the means that creative federalism can provide. The costs of a transportation paralysis in the years ahead are too severe. The rewards of an efficient system are too great. We cannot afford the luxury of drift—or proceed with "business as usual."

We must secure for all our travelers and shippers the full advantages of modern science and technology.

We must acquire the reliable information we need for intelligent decisions.

We must clear away the institutional and political barriers which impede adaptation and change.

We must promote the efforts of private industry to give the American consumer more and better service for his transportation dollar.

We must coordinate the executive functions of our transportation agencies in a single coherent instrument of government. Thus policy guidance and support for each means of transportation will strengthen the national economy as a whole.

A DEPARTMENT OF TRANSPORTATION

I urge the Congress to establish a Cabinet-level Department of Transportation.

I recommend that this Department bring together almost 100,000 employees and almost \$6 billion of Federal funds now devoted to transportation.

I urge the creation of such a Department to serve the growing demands of this great Nation, to satisfy the needs of our expanding industry and to fulfill the right of our taxpayers to maximum efficiency and frugality in Government operations.

In so doing, I follow the recommendations of many outstanding Americans.

In 1936, a select committee of the U.S. Senate recommended a Department of Transportation, or, in the alternative, the consolidation of all transportation programs in the Department of Commerce.

In 1949, the Hoover Commission Task Force on Transportation recommended a Department of Transportation.

In 1961 President Eisenhower recommended such a Department in his budget message.

In 1961 a special study group of the Senate Committee on Commerce recommended that all promotional and safety programs of the Federal Government be concentrated in a Department of Transportation.

Many distinguished Members of Congress have offered bills to create the Department. Private citizens, the Nation's leading experts in the field, have made the same recommendation to me.

It is time to act on these recommendations.

SCOPE OF THE DEPARTMENT

I propose that the following agencies and functions be consolidated in the Department of Transportation:

1. *The Office of the Under Secretary of Commerce for Transportation*, and its policy, program, emergency transportation and research staffs.

2. *The Bureau of Public Roads and the Federal-aid highway program it administers.*

3. *The Federal Aviation Agency*, with its functions in aviation safety, promotion, and investment, will be transferred in its entirety to the new Department. It will continue to carry out these functions in the new Department.

4. *The Coast Guard*, whose principal peacetime activities relate to transportation and marine safety. The Coast Guard will be transferred as a unit from the Treasury Department. As in the past, the Coast Guard will operate as part of the Navy in time of war.

5. *The Maritime Administration*, with its construction and operating subsidy programs.

6. *The safety functions of the Civil Aeronautics Board*, the responsibility for investigating and determining the probable cause of aircraft accidents and its appellate functions related to safety.

7. *The safety functions and car service functions of the Interstate Commerce Commission*, principally the inspection and enforcement of safety regulations for railroads, motor carriers, and pipelines, and the distribution of rail car supply in times of shortage.

8. *The Great Lakes Pilotage Administration, the St. Lawrence Seaway Development Corporation, the Alaska Railroad, and certain minor transportation-related activities of other agencies.*

As this list indicates, I am recommending the consolidation into the Department of those Federal agencies whose primary functions are transportation promotion and safety.

NATIONAL TRANSPORTATION SAFETY BOARD

No function of the new Department—no responsibility of its Secretary—will be more important than safety. We must insure the safety of our citizens as they travel on our land, in our skies, and over our waters.

I recommend that there be created under the Secretary of Transportation a National Transportation Safety Board independent of the operating units of the Department.

The sole function of this Board will be the safety of our travelers. It will review investigations of accidents to seek their causes. It will determine compliance with safety standards. It will examine the adequacy of the safety standards themselves. It will assume safety functions transferred from the ICC and the CAB.

I consider the functions of this Board so important that I am requesting authority from the Congress to name five Presidential appointees as its members.

RELATION TO OTHER GOVERNMENT ACTIVITIES

The activities of several departments and agencies affect transportation promotion and safety. Sound management requires that an appropriate and intimate relationship be established between those activities and the new Department of Transportation.

1. *The subsidy functions of the Civil Aeronautics Board.*—Aviation subsidies—now provided only for local airline service—clearly promote our domestic transportation system. But subsidy awards are an integral part of the process of authorizing air carrier service. This is a regulatory function.

Therefore the airline subsidy program should remain in the Civil Aeronautics Board. The Secretary of Transportation, however, will develop principles and criteria which the Board will take into consideration in its proceedings. In this way the subsidy program will be coordinated with overall national transportation policy.

2. *The navigation program of the Corps of Engineers.*—The Corps of Engineers—through its construction of locks and harbor facilities and its channel deepening and riverbank protection work—makes a major contribution to water transportation. The Department of Transportation should not assume the responsibility for that construction, but its Secretary should be involved in the planning of water transportation projects.

With the approval of the President, the Secretary of Transportation should also issue standards and criteria for the economic evaluation of Federal transportation investments generally. In the case of transportation features of multipurpose water projects, he should do so after consulting with the Water Resources Council.

3. *International aviation.*—The Secretary of Transportation should provide leadership within the executive branch in formulating long-range policy for international aviation. While foreign policy aspects of international aviation are the responsibility of the Secretary of State, the Secretary of Transportation should insure that our international aviation policies are consistent with overall national transportation policy.

Subject to policy determinations by the President, the Civil Aeronautics Board regulates international aviation routes and fares as they affect the United States. This function has far-reaching effects on our foreign policy, our balance of payments, and the vitality of American aviation. The Secretary of Transportation should participate in Civil Aeronautics Board proceedings that involve international aviation policy.

4. *Urban transportation.*—The Departments of Transportation and Housing and Urban Development must cooperate in decisions affecting urban transportation.

The future of urban transportation—the safety, convenience, and indeed the livelihood of its users—depends upon wide-scale, rational planning. If the Federal Government is to contribute to that planning, it must speak with a coherent voice.

The Department of Housing and Urban Development bears the principal responsibility for a unified Federal approach to urban problems. Yet it cannot perform this task without the counsel, support, and cooperation of the Department of Transportation.

I shall ask the two Secretaries to recommend to me, within a year after the creation of the new Department, the means and procedures

by which this cooperation can best be achieved—not only in principle, but in practical effect.

ROLE OF THE DEPARTMENT

The Department of Transportation will—

- coordinate the principal existing programs that promote transportation in America;

- bring new technology to a total transportation system, by promoting research and development in cooperation with private industry;

- improve safety in every means of transportation;

- encourage private enterprise to take full and prompt advantage of new technological opportunities;

- encourage high-quality, low-cost service to the public;

- conduct systems analyses and planning, to strengthen the weakest parts of today's system; and

- develop investment criteria and standards, and analytical techniques to assist all levels of government and industry in their transportation investments.

THE INTERSTATE COMMERCE COMMISSION

The Cabinet-level Department I recommend will not alter the economic regulatory functions of the Interstate Commerce Commission, the Civil Aeronautics Board, or the Federal Maritime Commission.

I do recommend, however, a change in the manner of selecting the Chairman of the Interstate Commerce Commission.

Today, the Chairman of this vital Commission—alone among the Federal regulatory agencies—is selected, not by the President, but by annual rotation among the 11 Commissioners.

This is not sound management practice in an agency whose influence on our rail, highway, waterway, and pipeline industries is so far reaching.

The ICC bears the demanding and challenging responsibility to keep Federal regulation attuned to the needs and opportunities of a dynamic industry. Its jurisdiction extends to 18,000 transport companies. It handles 7,000 cases each year. No private corporation of such size and importance would change its chief executive officer once each year.

I sha'll shortly submit to the Congress a reorganization plan to give the President authority to designate the Chairman of the Interstate Commerce Commission from among its members, and to strengthen his executive functions.

SAFETY

105,000 Americans died in accidents last year.

More than half were killed in transportation, or in recreation accidents related to transportation.

49,000 deaths involved motor vehicles.

1,300 involved aircraft.

1,500 involved ships and boats.

2,300 involved railroads.

Millions of Americans were injured in transportation accidents—the overwhelming majority involving automobiles.

Each means of transportation has developed safety programs of varying effectiveness. Yet we lack a comprehensive program keyed to a total transportation system.

Proven safety techniques in one means have not always been adapted in others.

Last year the highway death toll set a new record. The prediction for this year is that more than 50,000 persons will die on our streets and highways—more than 50,000 useful and promising lives will be lost, and as many families stung by grief.

The toll of Americans killed in this way since the introduction of the automobile is truly unbelievable. It is 1.5 million—more than all the combat deaths suffered in all our wars.

No other necessity of modern life has brought more convenience to the American people—or more tragedy—than the automobile.

WHY WE ARE FAILING

The carnage on the highways must be arrested.

As I said some weeks ago, we must replace suicide with sanity and anarchy with safety.

The weaknesses of our present highway safety program must be corrected:

Our knowledge of causes is grossly inadequate. Expert opinion is frequently contradictory and confusing.

Existing safety programs are widely dispersed. Government and private efforts proceed separately, without effective coordination.

There is no clear assignment of responsibility of the Federal level.

The allocation of our resources to highway safety is inadequate.

Neither private industry nor Government officials concerned with automotive transportation have made safety first among their priorities. Yet we know that expensive freeways, powerful engines, and smooth exteriors will not stop the massacre on our roads.

WHAT CAN BE DONE

State and local resources are insufficient to bring about swift reductions in the highway death rate. The Federal Government must provide additional resources. Existing programs must be expanded. Pioneer work must begin in neglected areas.

Federal highway safety responsibilities should be incorporated into the Department of Transportation, in a total transportation safety program.

I have already set in motion a number of steps under existing law:

1. *To strengthen the Federal role*, I am assigning responsibility for coordinating Federal highway safety programs to the Secretary of Commerce. I am directing the Secretary to establish a major highway safety unit within his Department. This unit will ultimately be transferred to the Department of Transportation. The President's Committee on Traffic Safety will be reorganized, strengthened, and supported entirely by Federal funds. The Interdepartmental High-

way Safety Board will be reconstituted and the Secretary's role strengthened.

2. *To give greater support to our safety programs.*—I am requesting increased funds for research, accident data collection, improved emergency medical service, driver education and testing, and traffic control technology.

I have also asked the Secretary of Commerce to evaluate systematically the resources allocated to traffic safety, to insure that we are receiving the maximum benefits from our present efforts.

3. *To improve driving conditions.*—I have ordered that high priority be given to our efforts to build safety features into the Federal-aid highway network.

4. *To save those who are injured.*—I have directed the Secretary of Health, Education, and Welfare, in cooperation with the Secretary of Commerce, immediately to initiate projects to demonstrate techniques for more effective emergency care and transportation. He will work in full cooperation with State, local, and private officials.

5. *To help us better understand the causes of highway accidents.*—I have asked the Secretary of Commerce to establish accident investigation teams, who will bring us new understanding of highway accidents and their causes.

6. *To make Government vehicles safer.*—I have asked the Administrator of General Services, in cooperation with the Secretary of Commerce, to begin a detailed study of the additional vehicle safety features that should be added to the Federal fleet.

THE TRAFFIC SAFETY ACT OF 1966

More—much more—remains to be done. The people of America deserve an aggressive highway safety program.

I believe that the Congress—the same Congress which last year gave the Secretary of Commerce broad authority to set uniform standards for State highway safety programs—will join in our efforts to bring that program into being.

I urge the Congress to enact the Traffic Safety Act of 1966.

I urge greater support for State highway safety programs.

I urge the creation of a national highway research and test facility.

To begin, I recommend a \$700 million, 6-year program.

The three components of this program are as critically important as the problems they address.

First, Federal grants to the States for highway safety will be increased.—With these funds, a comprehensive highway safety program can be developed by each State under standards approved by the Secretary of Commerce. Included will be measures such as driver education and licensing, advanced traffic control techniques, regular vehicle safety inspections, and police and emergency medical services.

Second, automobile safety performance will be improved.—Proper design and engineering can make our cars safer. Vehicles sold in interstate commerce must be designed and equipped for maximum safety. Safe performance design standards must be met in tomorrow's cars.

I recommend that the Secretary of Commerce be given authority to determine the necessary safety performance criteria for all vehicles and their components.

If, after a 2-year period, the Secretary finds that adequate voluntary standards are not satisfactory, he would be authorized to prescribe nationwide mandatory safety standards. He would be also authorized to prohibit the sale in interstate commerce of new vehicles and their components which failed to meet those standards.

Third, the Federal Government's highway safety research efforts will be expanded.

I recommend construction of a national highway safety research and test center.

Funds are needed to support research and testing in many disciplines related to highway safety. The public interest demands a better understanding of the human, highway, and vehicle factors which cause death and injury. We must develop more effective counter-measures and objective standards to guide our national programs. Special accident teams should be organized, accurate data collection should be enlarged on a national basis, and fellowship grants and research support should be made available to attract the best minds and talents of our Nation to this urgent work.

This new highway safety program would be transferred to the Secretary of Transportation upon the creation of the new Department.

Congress has not hesitated to establish rigorous safety standards for other means of transportation when circumstances demanded them.

Today's highway death toll calls for an equally vigorous and effective expression of concern for our millions of car-owning families. For unless we avert this slaughter, one out of every two Americans will one day be killed or seriously injured on our highways.

SAFETY STANDARDS FOR MOTOR VEHICLE TIRES

I urge the Congress to act speedily and favorably on S. 2669, a bill establishing safety standards for motor vehicle tires sold or shipped in interstate commerce.

Most tires sold to American drivers are produced and properly tested by reputable companies. Nevertheless, evidence has shown that increasing numbers of inferior tires are being sold to unwitting customers throughout the country. The dangers such tires hold for high-speed automobiles and their occupants is obvious.

S. 2669 provides that the Secretary of Commerce shall establish, and publish in the Federal Register, interim minimum safety standards for tires. The Secretary would be required to review these standards 2 years from the enactment of the bill; and to revise them where necessary. A research and development program under his direction would improve the minimum standards for new tires, and develop such standards for retreaded tires.

Our driving public deserves the prompt passage of S. 2669, and the protection it will afford them from accidents caused by tire failures.

SAFETY AT SEA

Last year 90 men and women lost their lives when the cruise ship *Yarmouth Castle* burned and sank in the calm waters of the Caribbean.

The *Yarmouth Castle* was exempt from U.S. safety standards—partially because of its "grandfather rights" under law. It was built before 1937.

We cannot allow the lives of our citizens to depend upon the year in which a ship was built.

The Coast Guard is presently completing its investigation of the *Yarmouth Castle* disaster. The Maritime Administration has already finished its investigation of financial responsibility.

Later in this session—when our inquiries are accomplished and our findings reported—we will submit to the Congress, legislation to improve safety measures and guarantees of financial responsibility on the part of owners and operators of passenger-carrying vessels sailing from our ports.

AIR ACCIDENT COMPENSATION

The United States has declared its intention to withdraw from the Warsaw Convention. Under this pact, the financial liability of a member nation's airline is limited to \$8,300 for a passenger's death.

Discussions are underway in the International Civil Aviation Organization to increase this liability for passengers flying anywhere in the world. We have expressed our opinion that the limit of liability should be raised to \$100,000.

RESEARCH AND DEVELOPMENT

Today the United States ranks as the world's leader in technology.

Despite this—and despite the importance of transportation in the competition for international trade—exclusive of national security and space, the Federal Government spends less than 1 percent of its total research and development budget for transportation.

Under our system of government, private enterprise bears the primary responsibility for research and development in the transportation field.

But the Government can help. It can plan and fashion research and development for a total transportation system which is beyond the responsibility or capability of private industry.

Through government-sponsored research and development we can—

- fully understand the complex relationships among the components of a total transportation system;

- provide comprehensive and reliable data for both private and public decisions;

- identify areas of transportation which can be exploited by private industry to provide safer and more efficient services to the public;

- build the basis for a more efficient use of public resources;

- provide the technological base needed to assure adequate domestic and international transportation in times of emergency; and

- help make significant advances in every phase of transport—in aircraft, in oceangoing ships, in swifter rail service, in safer vehicles.

SUPERSONIC TRANSPORT AIRCRAFT

The United States is preeminent in the field of aircraft design and manufacture.

We intend to maintain that leadership.

As I said in my state of the Union message, I am proposing a program to construct and flight test a new 2,000-mile-per-hour supersonic aircraft.

Our supersonic transport must be reliable and safe for the passenger.

It must be profitable for both the airlines and the manufacturers.

Its operating performance must be superior to any comparable aircraft.

It must be introduced into the market in a timely manner.

We have underway an intensive research and design program on the supersonic transport, supported by appropriations of \$231 million.

The design competition for this aircraft and its engines is intense and resourceful.

I am requesting \$200 million in fiscal year 1967 appropriations to initiate the prototype phase of the supersonic transport. My request includes funds for the completion of design competition, expanded economic and sonic boom studies, and the start of prototype construction.

We hope to conduct first flight tests of the supersonic transport by 1970, and to introduce it into commercial service by 1974.

AIRCRAFT NOISE

The jet age has brought progress and prosperity to our air transportation system. Modern jets can carry passengers and freight across a continent at speeds close to that of sound.

Yet this progress has created special problems of its own. Aircraft noise is a growing source of annoyance and concern to the thousands of citizens who live near many of our large airports. As more of our airports begin to accommodate jets and as the volume of air travel expands, the problem will take on added dimension.

There are no simple or swift solutions. But it is clear that we must embark now on a concerted effort to alleviate the problems of aircraft noise. To this end, I am today directing the President's science adviser to work with the Administrators of the Federal Aviation Agency and National Aeronautics and Space Administration, and the Secretaries of Commerce and of Housing and Urban Development, to frame an action program to attack this problem.

I am asking this group to—

- study the development of noise standards and the compatible uses of land near airports;

- consult with local communities and industry; and

- recommend legislative or administrative actions needed to move ahead in this area.

ADVANCED OCEAN VESSEL CONCEPTS

After years of U.S. leadership, maritime technology in other countries has caught up with and, in some instances, surpassed our own.

The U.S. merchant marine suffers in world competition because it bears much higher costs than its competitors. This can be offset in some measure by technological improvements.

The Department of Defense recently launched the fast deployment logistics ship program. This concept introduces to the maritime field the same systems approach that has proven so successful in other defense and aerospace programs.

To achieve comparable improvements throughout the maritime industry, I am directing the Secretary of Commerce, with the Secretary of Defense, the President's scientific adviser, and the Atomic Energy Commission, to conduct a study of advanced vessel concepts.

The work of this team will include:

Research, development, and planning of high-speed, large-capacity ships, devoted primarily to transporting preloaded containers of varying types between the major ports in the world.

Research on an oceangoing surface effects vessel capable of skimming over the water at speeds more than 100 knots.

Continued exploration of the application of nuclear propulsion to merchant marine ships.

Our private shipyards should continue to serve the needs of the country. They can become more productive and competitive through research and development and through standardization of ship construction. With a new Department of Transportation, we will increase our efforts to bring a modern, efficient merchant marine fleet to this Nation.

ADVANCED LAND TRANSPORT

Last year Congress took a long step toward advanced land transportation by enacting the high-speed ground transportation research and development program. This program will be continued at the most rapid pace consistent with sound management of the research effort.

Similar vision and imagination can be applied to highway transport.

Segments of the interstate highway network already in operation are the most efficient, productive roads ever built anywhere in the world. Motor vehicles move at higher rates of speed, more safely, and in greater number per lane than on conventional roads. Transportation costs are reduced, and less land area is needed for this volume of traffic.

With the network about half completed after 10 years, it is apparent that interstate highways, as well as other roads and streets, can become even more productive and safe.

Accordingly, I am directing the Secretary of Commerce to—

investigate means for providing guidance and control mechanisms to increase the capacity and improve the safety of our highway network;

conduct research into the means of improving traffic flow—particularly in our cities—so we can make better use of our existing roads and streets; and

investigate the potential of separate roadways for various classes of vehicles, with emphasis on improving mass transportation service.

SYSTEMS RESEARCH

Some of our brightest opportunities in research and development lie in the less obvious and often neglected parts of our transportation system.

We spend billions for constructing new highways, but comparatively little for traffic control devices.

We spend millions for fast jet aircraft—but little on the traveler's problem of getting to and from the airport.

We have mounted a sizable government-industry program to expand exports, yet we allow a mountain of redtape paperwork negate our efforts. Worldwide, a total of 810 forms are required to cover all types of cargo imported and exported. In this country alone, as many as 43 separate forms are used in one export shipment. Eighty separate forms may be needed to process some imports. This is paperwork run wild.

I am directing the Secretaries of Treasury and Commerce and the Attorney General to attack these problems, through the use of effective systems research programs. And I have directed them to eliminate immediately every unnecessary element of redtape that inhibits our import and export programs.

TRANSPORTATION FOR AMERICA

The Founding Fathers rode by stage to Philadelphia to take part in the Constitutional Convention. They could not have anticipated the immense complexity—or the problems—of transportation in our day.

Yet they, too, recognized the vital national interest in commerce between the States. The early Congresses expressed that interest even more directly, by supporting the development of road and waterway systems.

Most important, the Founding Fathers gave us a flexible system of government. Cities, States, and the Federal Government can join together—and in many cases work with private enterprise—in partnerships of creative federalism to solve our most complex problems.

For the very size of our transportation requirements—rising step by step with the growth of our population and industry—demands that we respond with new institutions, new programs of research, new efforts to make our vehicles safe, as well as swift.

Modern transportation can be the rapid conduit of economic growth—or a bottleneck.

It can bring jobs and loved ones and recreation closer to every family—or it can bring instead sudden and purposeless death.

It can improve every man's standard of living—or multiply the cost of all he buys.

It can be a convenience, a pleasure, the passport to new horizons of the mind and spirit—or it can frustrate and impede and delay.

The choice is ours to make.

We build the cars, the trains, the planes, the ships, the roads, and the airports. We can, if we will, plan their safe and efficient use in the decades ahead to improve the quality of life for all Americans.

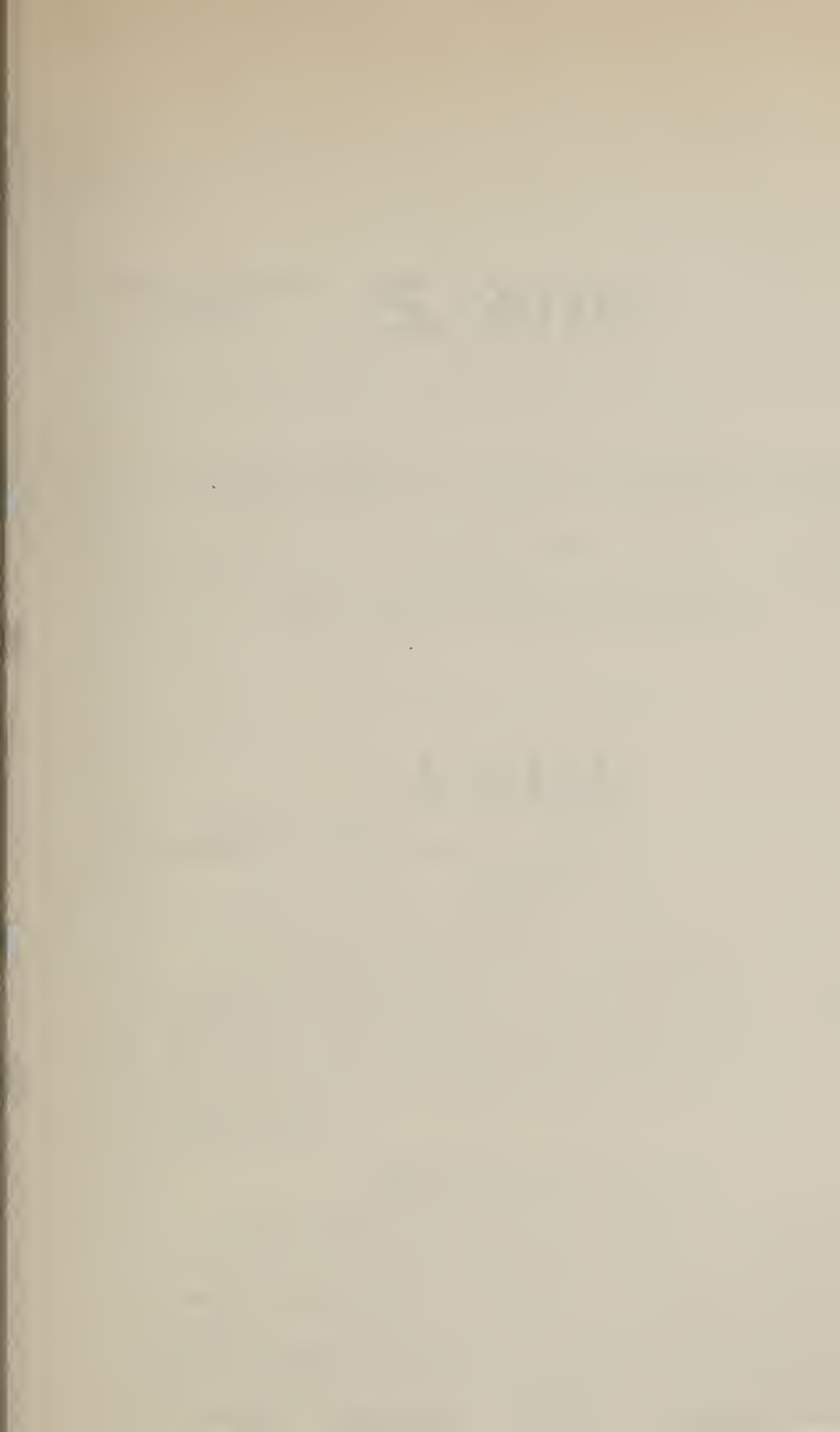
The program I have outlined in this message is the first step toward that goal.

I urge its prompt enactment by the Congress.

LYNDON B. JOHNSON.

THE WHITE HOUSE, *March 2, 1966.*





S. 3010

MARCH 2, 1966

A BILL

To establish a Department of Transportation, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the “Department of Trans-
4 portation Act.”

DECLARATION OF PURPOSE

6 SEC. 2. The Congress hereby declares that the general
7 welfare, the economic growth and stability of the Nation
8 and its security require the development and implementation
9 of national transportation policies and programs conducive
10 to the provision of fast, safe, efficient, and convenient trans-
11 portation at the lowest cost consistent therewith and with

1 other national objectives, including the efficient utilization
2 and conservation of the Nation's resources.

3 The Congress therefore finds that the establishment of
4 a Department of Transportation is necessary in the public
5 interest and to assure the coordinated, effective administra-
6 tion of the transportation programs of the Federal Gov-
7 ernment; to facilitate the development and improvement of
8 coordinated transportation service, to be provided by private
9 enterprise to the maximum extent feasible; to encourage co-
10 operation of Federal, State, and local governments, carriers,
11 labor, and other interested parties toward the achievement
12 of national transportation objectives; to stimulate technologi-
13 cal advances in transportation; to provide general leadership
14 in the identification and solution of transportation problems;
15 and to develop and recommend national transportation
16 policies and programs to accomplish these objectives with
17 full and appropriate consideration of the needs of the pub-
18 lic, users, carriers, industry, labor, and the national defense.

19 ESTABLISHMENT OF DEPARTMENT

20 SEC. 3. (a) There is hereby established at the seat of
21 government an executive department to be known as the
22 Department of Transportation (hereinafter referred to as the
23 "Department"). There shall be at the head of the Depart-
24 ment a Secretary of Transportation (hereinafter referred to

1 as the "Secretary"), who shall be appointed by the Presi-
2 dent, by and with the advice and consent of the Senate.

3 (b) There shall be in the Department an Under Secre-
4 tary, who shall be appointed by the President, by and with
5 the advice and consent of the Senate. The Under Secretary
6 (or, during the absence or disability of the Under Secretary,
7 or in the event of a vacancy in the office of Under Secretary,
8 an Assistant Secretary determined according to such order
9 as the Secretary shall prescribe) shall act for, and exercise
10 the powers of the Secretary, during the absence or disability
11 of the Secretary or in the event of a vacancy in the office of
12 Secretary. The Under Secretary shall perform such func-
13 tions, powers, and duties as the Secretary shall prescribe
14 from time to time.

15 (c) There shall be in the Department four Assistant
16 Secretaries and a General Counsel, who shall be appointed
17 by the President, by and with the advice and consent of the
18 Senate, and who shall perform such functions, powers, and
19 duties as the Secretary shall prescribe from time to time.

20 (d) There shall be in the Department an Assistant Sec-
21 retary for Administration, who shall be appointed, with the
22 approval of the President, by the Secretary under the classi-
23 fied civil service who shall perform such functions, powers,
24 and duties as the Secretary shall prescribe from time to time.

GENERAL PROVISIONS

SEC. 4. (a) The Secretary in carrying out the purposes of this Act shall, among his responsibilities, exercise leadership under the direction of the President in transportation matters, including those affecting the national defense and those involving national or regional emergencies; develop national transportation policies and programs, and make recommendations for their implementation; promote and undertake development, collection, and dissemination of technological, statistical, economic and other information relevant to domestic and international transportation; and promote and undertake research and development in and among all modes of transportation and types of transportation services and facilities.

(b) In exercising the functions, powers, and duties herein conferred on and transferred to the Secretary, the Secretary shall give full consideration to the need for operational continuity of the functions transferred, to the need for effectiveness and safety in transportation systems, and to the needs of the national defense.

(c) As necessary, and when not otherwise available, the Secretary is authorized to provide for, construct, or maintain the following for employees and their dependents stationed at remote localities:

- 25 (1) Emergency medical services and supplies;

1 (2) Food and other subsistence supplies;

2 (3) Messing facilities;

3 (4) Motion picture equipment and film for recrea-
4 tion and training;

5 (5) Reimbursement for food, clothing, medicine,
6 and other supplies furnished by such employees in emer-
7 gencies for the temporary relief of distressed persons;
8 and

9 (6) Living and working quarters and facilities.

10 The furnishing of medical treatment under paragraph (1)
11 and the furnishing of services and supplies under para-
12 graphs (2) and (3) of this subsection shall be at prices
13 reflecting reasonable value as determined by the Secretary,
14 and the proceeds therefrom shall be credited to the appro-
15 priation from which the expenditure was made.

16 (d) The Secretary is authorized to accept, hold, admin-
17 ister, and utilize gifts and bequests of property, both real and
18 personal, for the purpose of aiding or facilitating the work of
19 the Department of Transportation. Gifts and bequests of
20 money and the proceeds from sales of other property re-
21 ceived as gifts or bequests shall be deposited in the Treasury
22 in a separate fund and shall be disbursed upon order of the
23 Secretary of Transportation. Property accepted pursuant to
24 this provision, and the proceeds thereof, shall be used as

1 nearly as possible in accordance with the terms of the gift or
2 bequest.

3 (e) For the purpose of Federal income, estate, and gift
4 taxes, property accepted under section 4 (d) of this Act
5 shall be considered as a gift or bequest to or for use of the
6 United States.

7 (f) Upon the request of the Secretary, the Secretary of
8 the Treasury may invest and reinvest in securities of the
9 United States or in securities guaranteed as to principal and
10 interest by the United States any moneys contained in the
11 fund authorized herein. Income accruing from such secu-
12 rities, and from any other property pursuant to section 4 (d)
13 of this Act, shall be deposited to the credit of the fund author-
14 ized herein, and shall be disbursed upon order of the Secre-
15 tary of Transportation.

16 (g) The Secretary is authorized, upon the written re-
17 quest of any person, firm, or corporation, to make special
18 statistical studies relating to foreign and domestic transporta-
19 tion, and other matters falling within the province of the De-
20 partment of Transportation, to prepare from its records
21 special statistical compilations, and to furnish transcripts of
22 its studies, tables, and other records upon the payment of
23 the actual cost of such work by the person, firm, or corpora-
24 tion requesting it.

25 (h) All moneys received by the Department of Trans-

1 portation in payment of the cost of work under section 4 (g)
2 of this Act shall be deposited in a special account to be
3 administered under the direction of the Secretary of Trans-
4 portation. These moneys may be used, in the discretion
5 of the Secretary of Transportation, and notwithstanding
6 any other provisions of law, for the ordinary expenses inci-
7 dental to the work and/or to secure in connection there-
8 with the special services of persons who are neither officers
9 nor employees of the United States.

10 (i) The Secretary is authorized to appoint such ad-
11 visory committees as shall be appropriate for the purpose
12 of consultation with and advice to the Department in per-
13 formance of its functions. Members of such committees
14 shall be entitled to per diem and travel expenses as author-
15 ized by the Administrative Expenses Act of 1946 (60
16 Stat. 808), for all persons employed intermittently as con-
17 sultants or experts receiving compensation on a per diem
18 basis.

19 (j) Orders and actions of the Secretary or the National
20 Transportation Safety Board in the exercise of functions,
21 powers, and duties transferred under this Act shall be sub-
22 ject to judicial review to the same extent and in the same
23 manner as if such orders and actions had been by the agency
24 originally exercising such functions, powers, and duties.

1 (k) In the exercise of the functions, powers, and duties
2 transferred under this Act, the Secretary is authorized the
3 same authority as vested in the agency originally exercising
4 such functions, powers, and duties, and his actions in exer-
5 cising such functions, powers, and duties shall have the same
6 force and effect as when exercised by such agency.

7 (1) (1) Nothing in this Act or other law shall pre-
8 clude appointment, detail, or assignment of a member on
9 active duty of the Coast Guard to any position in the De-
10 partment, other than Secretary, Under Secretary, and Assist-
11 ant Secretary for Administration.

12 (2) Nothing in this Act or other law shall preclude
13 appointment of a retired member of the Coast Guard to
14 any position in the Department.

15 (3) The provisions of section 9(e) (1) shall apply to
16 persons appointed, detailed, or assigned under authority of
17 this subsection.

18 NATIONAL TRANSPORTATION SAFETY BOARD

19 SEC. 5. (a) There is hereby established within the De-
20 partment a National Transportation Safety Board. The
21 Board shall exercise the functions, powers, and duties trans-
22 ferred to the Secretary by sections 6 and 8 of this Act with
23 regard to (1) determining the cause or probable cause of
24 transportation accidents, and shall report the facts, condi-
25 tions, and circumstances relating to such accidents; and (2)

1 the review on appeal of the suspension, amendment, modifi-
2 cation, revocation, or denial of any certificate or license issued
3 by the Secretary. In exercising these functions, powers, and
4 duties, the Board shall be independent of the Secretary and
5 the operating units of the Department.

6 (b) The Board shall consist of five members to be ap-
7 pointed by the President, by and with the advice and consent
8 of the Senate, and who shall continue in office as designated
9 by the President at time of nomination through the last day
10 of the first, second, third, fourth, and fifth full calendar years,
11 respectively, following the year of enactment of this Act.
12 Their successors shall be appointed for terms of five years,
13 in the same manner as the members originally appointed
14 under this Act. Members of the Board shall be appointed
15 with due regard to their fitness for the efficient dispatch of
16 the functions, powers, and duties vested in and imposed
17 upon the Board. Members of the Board may be removed
18 by the President for inefficiency, neglect of duty, or mal-
19 feasance in office.

20 (c) Any person appointed to fill a vacancy occurring
21 prior to the expiration of a term for which his predecessor
22 was appointed shall serve only for the remainder of such
23 term. Upon the expiration of his term of office, except in
24 the case of a member removed for cause under section 5 (b) ,

1 a member shall continue to serve until his successor is ap-
2 pointed and shall have qualified.

3 (d) The President shall designate from time to time
4 one of the members of the Board as Chairman and one of
5 the members as Vice Chairman, who shall act as Chairman
6 in the absence or incapacity of the Chairman, or in the event
7 of a vacancy in the office of the Chairman. The Chairman
8 shall be the chief executive and administrative officer of the
9 Board and shall exercise the responsibility of the Board with
10 respect to (1) the appointment and supervision of personnel
11 employed by the Board; (2) the distribution of business
12 among the Board's personnel; and (3) the use and expendi-
13 ture of funds. In executing and administering the functions
14 of the Board on its behalf, the Chairman shall be governed
15 by the general policies of the Board and by its decisions,
16 findings, and determinations. Three of the members shall
17 constitute a quorum of the Board.

18 (e) The Chairman of the Board shall be compensated
19 at the rate provided for at level V of the Federal Executive
20 Salary Act of 1964 (78 Stat. 416), as provided in section
21 10 (d) (4) of this Act. Members of the Board shall be
22 compensated at the rate now or hereafter established for
23 grade 18 of the General Schedule of the Classification Act
24 of 1949 (63 Stat. 954).

25 (f) The Board is authorized to establish such rules, reg-

1 ulations, and procedures as are necessary to the exercise of
2 its functions.

3 (g) The Board, any member thereof, or any hearing
4 examiner assigned to the Board shall have the same powers
5 as are vested in the Secretary to hold hearings, sign and
6 issue subpoenas, administer oaths, examine witnesses, and
7 receive evidence at any place in the United States it may
8 designate.

9 (h) Subject to the proviso in section 701 (g) of the
10 Federal Aviation Act of 1958 (72 Stat. 731), the Board
11 may delegate to any officer or official of the Board or, with
12 the approval of the Secretary, to any officer or official of the
13 Department such of its functions as it may deem appropriate.

14 (i) The Board is further authorized to make such
15 recommendations concerning transportation safety to the Sec-
16 retary as it may deem appropriate, including recommenda-
17 tions for the conduct of special safety studies on matters
18 pertaining to safety in transportation and the prevention of
19 accidents, the initiation of accident investigations, and rules,
20 regulations, and procedures for the conduct of accident
21 investigations.

22 (j) Subject to the civil service and classification laws,
23 the Board is authorized to select, appoint, employ, and fix
24 compensation of such officers and employees, including attor-

1 neys, as shall be necessary to carry out its powers and duties
2 under this Act.

3 (k) The Secretary shall provide to the Board financial
4 and administrative services, the cost of which shall be paid
5 in advance, or by reimbursement, from funds of the Board.

6 TRANSFERS TO DEPARTMENT

7 SEC. 6. (a) There are hereby transferred to and vested
8 in the Secretary all functions, powers, and duties of the
9 Secretary of Commerce and other officers and offices of the
10 Department of Commerce under title 23, United States
11 Code, relating to highways; the Federal Aid Highway Act
12 of 1962 (76 Stat. 1145), relating to engineering and plan-
13 ning surveys concerning highway construction programs in
14 Alaska; the Act of July 14, 1960 (74 Stat. 526), relating
15 to the National Driver Register Service; the Federal Aid
16 Highway Act of 1954 (68 Stat. 70), relating to the Great
17 River Road; the Highway Revenue Act of 1956 (70 Stat.
18 387), relating to the highway trust fund; the Highway
19 Beautification Act of 1965 (79 Stat. 1028); the Alaska
20 Omnibus Act (73 Stat. 141), relating to transfers of lands,
21 buildings, fixtures, and other property used in connection
22 with Bureau of Public Roads activities in Alaska; Senate
23 Joint Resolution 81 (79 Stat. 578), relating to reports of
24 highway needs to Congress; section 525 (c) of the General
25 Bridge Act of 1946 (60 Stat. 847), relating to the location

1 of and plans for interstate bridges; the Act of July 26, 1956
2 (70 Stat. 669), relating to the Muscatine Bridge Commis-
3 sion; the Act of December 21, 1944 (58 Stat. 846), relating
4 to the City of Clinton Bridge Commission; the Act of
5 April 12, 1941 (55 Stat. 140), relating to the White
6 County Bridge Commission; the Act of April 27, 1962
7 (76 Stat. 59), relating to the annual audit of bridge com-
8 missions; the Act of September 30, 1965, relating to high-
9 speed ground transportation (79 Stat. 893); the Urban
10 Mass Transportation Act of 1964 (78 Stat. 302); the Act
11 of September 7, 1957 (71 Stat. 629), and section 410 of
12 the Federal Aviation Act of 1958 (72 Stat. 769), relating
13 to guarantee of loans for the purchase of aircraft and air-
14 craft equipment; title XIII, War Risk Insurance, of the
15 Federal Aviation Act of 1958 (72 Stat. 800); the Great
16 Lakes Pilotage Act of 1960 (74 Stat. 259); the Merchant
17 Marine Act, 1920 (41 Stat. 988); the Merchant Marine
18 Act, 1928 (45 Stat. 689); the Merchant Marine Act, 1936
19 (49 Stat. 1985); the Shipping Act, 1916 (39 Stat. 728);
20 the Merchant Ship Sales Act of 1946 (60 Stat. 41); the
21 Maritime Academy Act of 1958 (72 Stat. 622); the Act
22 of June 12, 1940 (54 Stat. 346), relating to assistance to
23 maritime schools; the Act of August 30, 1964 (78 Stat.
24 614), relating to the fishing fleet; the Act of September 14,

1 1961 (75 Stat. 514), relating to appointments to the Mer-
2 chant Marine Academy; the Act of June 13, 1957 (71
3 Stat. 73), to the extent it relates to operating-differential
4 subsidies; the Act of June 12, 1951 (65 Stat. 59), relating
5 to vessel operations revolving fund; the Act of July 24,
6 1956 (70 Stat. 605), relating to the grant of medals and
7 decorations for service in the United States merchant ma-
8 rine; the Act of August 9, 1954 (68 Stat. 675), relating
9 to emergency foreign merchant vessel acquisition and oper-
10 ation; Reorganization Plan Numbered 21 of 1950 (64 Stat.
11 1273); Reorganization Plan Numbered 7 of 1961 (75 Stat.
12 840); Reorganization Plan Numbered 7 of 1949 (63 Stat.
13 1070); and the Act of August 1, 1947 (61 Stat. 715), to
14 the extent that it authorizes scientific and professional posi-
15 tions which relate primarily to functions transferred by this
16 subsection.

17 (b) (1) The Coast Guard is hereby transferred to the
18 Department, and there are hereby transferred to and vested
19 in the Secretary all functions, powers, and duties, relating
20 to the Coast Guard, of the Secretary of the Treasury and of
21 other officers and offices of the Department of the Treasury.

22 (2) Notwithstanding the transfer of the Coast Guard
23 to the Department and the transfer to the Secretary of the
24 functions, powers, and duties, relating to the Coast Guard,
25 of the Secretary of the Treasury and of other officers and

1 offices of the Department of the Treasury, effected by the pro-
2 visions of subparagraph (1) of this subsection, the Coast
3 Guard, together with the functions, powers, and duties relat-
4 ing thereto, shall operate as a part of the Navy, subject to the
5 orders of the Secretary of the Navy, in time or war or when
6 the President shall so direct, as provided in title 14, United
7 States Code, section 3.

8 (3) Notwithstanding any other provision of this Act,
9 the functions, powers, and duties of the General Counsel of
10 the Department of the Treasury set out in the Uniform Code
11 of Military Justice (10 United States Code, section 801, et
12 seq.) are hereby transferred to and vested in the General
13 Counsel of the Department.

14 (c) There are hereby transferred to and vested in the
15 Secretary all functions, powers, and duties of the Federal
16 Aviation Agency, and of the Administrator and other officers
17 and offices thereof.

18 (d) There are hereby transferred to and vested in the
19 Secretary all functions, powers, and duties of the Civil Aero-
20 nautics Board, and of the Chairman, members, officers, and
21 offices thereof under titles VI (72 Stat. 776) and VII (72
22 Stat. 781) of the Federal Aviation Act of 1958.

23 (e) There are hereby transferred to and vested in the
24 Secretary all functions, powers, and duties of the Interstate
25 Commerce Commission under the Act of March 2, 1893 (27

1 Stat. 531), as amended by the Act of August 14, 1957 (71
2 Stat. 352), the Act of March 2, 1903 (32 Stat. 943), as
3 amended by the Act of April 11, 1958 (72 Stat. 86), and
4 the Act of April 14, 1910 (36 Stat. 298), as amended by
5 the Act of August 14, 1957 (71 Stat. 352), relating to
6 safety appliances; the Act of May 30, 1908 (35 Stat. 476),
7 relating to ash pans; the Act of February 17, 1911 (36 Stat.
8 913), the Act of March 4, 1915 (38 Stat. 1192), the Act
9 of June 26, 1918 (40 Stat. 616), the Act of June 7, 1924
10 (43 Stat. 659), the Act of June 27, 1930 (46 Stat. 822),
11 and the Act of April 22, 1940 (54 Stat. 148), the Act of
12 May 27, 1947 (61 Stat. 120), the Act of June 25, 1948
13 (62 Stat. 909), the Act of October 28, 1949 (63 Stat.
14 972), the Act of August 14, 1957 (71 Stat. 352), relating
15 to boiler inspection; Reorganization Plan Numbered 3 of
16 1965 (79 Stat. 1320), relating to locomotive inspection;
17 the resolution of June 30, 1906 (34 Stat. 838), relating to
18 block signals; the Act of May 27, 1908 (35 Stat. 325), the
19 Act of March 4, 1909 (35 Stat. 965), relating to investiga-
20 tion and testing of appliances and inspection of mail cars;
21 the Act of May 6, 1910 (36 Stat. 350), the Act of September
22 13, 1960 (74 Stat. 903), relating to accident reports;
23 the Act of March 4, 1907 (34 Stat. 1415), the Act of
24 May 4, 1916 (39 Stat. 61), the Act of June 25 1948 (62
25 Stat. 909), the Act of August 14, 1957 (71 Stat. 352),

1 relating to hours of service of employees; the Act of Feb-
2 ruary 23, 1905 (33 Stat. 743), the Act of June 13, 1957
3 (71 Stat. 69), relating to awards; title 18, United States
4 Code, sections 831-835, relating to explosives and other dan-
5 gerous articles; the Act of March 19, 1918 (40 Stat. 450),
6 the Act of March 4, 1921 (41 Stat. 1446), and the Act of
7 March 3, 1923 (42 Stat. 1434), as amended by the Act of
8 June 24, 1948 (62 Stat. 646), relating to the Standard
9 Time Act; and the following sections of the Interstate Com-
10 merce Act (24 Stat. 379) ; sections 1 (10) , 1 (11) , 1 (12) ,
11 1 (13) , 1 (14) (a) (but not including establishment of the
12 compensation to be paid for the use of any locomotive, car,
13 or other vehicle not owned by the carrier using it) , 1 (15) ,
14 1 (16) , 1 (17) , 6 (8) , the final sentence of 15 (4) , 15 (10) ,
15 and 420, relating to car service; section 25, relating to
16 safety appliances, methods and systems; section 226, relat-
17 ing to investigation of motor vehicle sizes and weights; sec-
18 tion 1 (21) except to the extent that it relates to the exten-
19 sion of line or lines of common carriers; section 204 (a) (1)
20 and (2) to the extent that they relate to qualifications and
21 maximum hours of service of employees and safety of opera-
22 tion and equipment; and section 204 (a) (3) , (3a) , and
23 (5) , relating to safety.

24 Nothing in this subsection shall diminish the functions,

1 powers, and duties of the Interstate Commerce Commission
2 under sections 1 (6), 206, 207, 209, 210a, 212, and 216 of
3 the Interstate Commerce Act or under any other section of
4 that Act not specifically referred to in the first paragraph of
5 this subsection.

6 (f) There are hereby transferred to and vested in the
7 Secretary all functions, powers, and duties of the Secretary
8 of the Army and other officers and offices of the Department
9 of the Army under section 7 of the River and Harbor Act
10 of March 4, 1915 (38 Stat. 1053), and the Act of April 22,
11 1940 (54 Stat. 150), relating to water vessel anchorages;
12 section 5 of the Act of August 18, 1894 (28 Stat. 362),
13 relating to drawbridge operating regulations; the Act of
14 June 21, 1940 (54 Stat. 497), relating to obstructive
15 bridges; section 4 of the Act of March 23, 1906 (34 Stat.
16 85), section 503 of the General Bridge Act (60 Stat. 847),
17 section 17 of the Act of June 10, 1930 (46 Stat. 552), the
18 Act of June 27, 1930 (46 Stat. 821), and the Act of August
19 21, 1935 (49 Stat. 670), relating to the reasonableness of
20 tolls; the Oil Pollution Act of 1961 (75 Stat. 402), relating
21 to the detection of oil pollution and enforcement of measures
22 against same; and section 9 of the Act of March 3, 1899 (30
23 Stat. 1151), the Act of March 23, 1906 (34 Stat. 84), and
24 the General Bridge Act (60 Stat. 847), insofar as they relate

1 to the location and clearances of bridges in the navigable
2 waters of the United States.

3 TRANSPORTATION INVESTMENT STANDARDS

4 SEC. 7. (a) The Secretary shall develop and from time
5 to time in the light of experience revise standards and criteria
6 consistent with national transportation policies, for the formu-
7 lation and economic evaluation of all proposals for the invest-
8 ment of Federal funds in transportation facilities or equip-
9 ment, except such proposals as are concerned with (1) the
10 acquisition of transportation facilities or equipment by Fed-
11 eral agencies in providing transportation services for their own
12 use; (2) an interoceanic canal located outside the contigu-
13 ous United States; (3) defense features included at the
14 direction of the Department of Defense in the design and con-
15 struction of civil air, sea, and land transportation; or (4)
16 programs of foreign assistance. The standards and criteria
17 for economic evaluation of the transportation features of
18 multipurpose water resource projects shall be developed by
19 the Secretary after consultation with the Water Resources
20 Council, and shall be compatible with the standards and
21 criteria for economic evaluation applicable to nontransporta-
22 tion features of such projects. The standards and criteria
23 developed or revised pursuant to this subsection shall be

1 promulgated by the Secretary upon their approval by the
2 President.

3 (b) Every survey, plan, or report formulated by a Fed-
4 eral agency which includes a proposal as to which the
5 Secretary has promulgated standards and criteria pursuant to
6 subsection (a) shall be (1) prepared in accord with such
7 standards and criteria and upon the basis of information
8 furnished by the Secretary with respect to projected growth
9 of transportation needs and traffic in the affected area, the
10 relative efficiency of various modes of transport, the available
11 transportation services in the area, and the general effect of
12 the proposed investment on existing modes, and on the
13 regional and national economy; (2) coordinated by the pro-
14 posing agency with the Secretary and, as appropriate, with
15 other Federal agencies, States, and local units of government
16 for inclusion of his and their views and comments; and
17 (3) transmitted thereafter by the proposing agency to the
18 President for disposition in accord with law and procedures
19 established by him.

20 AMENDMENTS TO OTHER LAWS

21 SEC. 8. (a) Section 406 (b) of the Federal Aviation
22 Act of 1958, as amended (72 Stat. 763), is amended by
23 adding the following sentence at the end thereof: "In apply-
24 ing clause (3) of this subsection, the Board shall take into
25 consideration any standards and criteria prescribed by the

1 Secretary of Transportation, for determining the character
2 and quality of transportation required for the commerce of
3 the United States and the national defense.”

4 (b) Section 201 of the Appalachian Regional Develop-
5 ment Act (79 Stat. 10) is amended as follows:

6 (1) The first sentence of subsection (a) of that section
7 is amended by striking the words “Commerce (hereafter in
8 this section referred to as the ‘Secretary’)” and inserting in
9 lieu thereof “Transportation.”

10 (2) The last sentence of subsection (a) of that section
11 is amended by inserting after the word “Secretary”, the
12 words “of Transportation”.

13 (3) Subsection (b) of that section is amended by in-
14 serting after the word “Secretary”, the words “of Com-
15 merce”.

16 (4) Subsection (c) of that section is amended by strik-
17 ing the first sentence and inserting in lieu thereof the fol-
18 lowing sentence: “Such recommendations as are approved
19 by the Secretary of Commerce shall be transmitted to the
20 Secretary of Transportation for his approval.”

21 (5) The second sentence of subsection (c) of that sec-
22 tion is amended by inserting after the word “Secretary” the
23 words “of Transportation”.

24 (6) Subsection (e) of that section is amended by in-

1 serting after the word "Secretary" the words "of Transpor-
2 tation".

3 (7) Subsection (f) of that section is amended by in-
4 serting after the word "Secretary", the words "of Com-
5 merce and the Secretary of Transportation". Subsection
6 (f) of that section is further amended by striking the word
7 "determines" and inserting in lieu thereof "determine".

8 (8) Subsection (g) of that section is amended by
9 striking the period at the end thereof and adding the follow-
10 ing: "to the Secretary of Commerce, who shall transfer funds
11 to the Secretary of Transportation for administration of proj-
12 ects approved by both Secretaries."

13 (c) Section 206 (c) of the Appalachian Regional De-
14 velopment Act of 1965 (79 Stat. 15) is amended by insert-
15 ing after "Interior," the words "Secretary of Transporta-
16 tion,".

17 (d) Sections 12, 13 (1), 13 (2), 20 (except clauses
18 (3), (4), (11), and (12) thereof), 204 (a) (except
19 clauses 4 and 4a thereof), 204 (c), 205 (d), 205 (f), 220
20 (except subsection (c) thereof), and 222 (except subsec-
21 tions (b) (2) and (b) (3) thereof) of the Interstate Com-
22 merce Act (27 Stat. 379) are amended by inserting "(Sec-
23 retary of Transportation with respect to the establishment
24 and enforcement of reasonable requirements with respect to
25 qualifications and maximum hours of service of employees,

1 safety of operation and equipment, and car service)” im-
2 mediately after “Commission” where it first occurs in each
3 such section, and by inserting “or Secretary of Transportation
4 as the case may be” after Commission in every other place
5 where it occurs in each such section, except where it occurs
6 in the proviso of section 220 (a) and the last time in section
7 222 (h) .

8 (e) Section 212 (a) of the Interstate Commerce Act (49
9 Stat. 555) is amended by striking “of the Commission” the
10 second, third, and fourth times those words occur.

11 (f) Section 13 (b) of the Fair Labor Standards Act of
12 1938 (52 Stat. 1067) is amended by striking the words
13 “Interstate Commerce Commission” and inserting in lieu
14 thereof “Secretary of Transportation.”

15 (g) Section 18 (1) of the Interstate Commerce Act
16 (24 Stat. 386) is amended by inserting “or Secretary of
17 Transportation with respect to the establishment and en-
18 forcement of reasonable requirements with respect to quali-
19 fications and maximum hours of service of employees, safety
20 of operation and equipment, and car service” after “Com-
21 mission” where it last occurs therein.

22 (h) The second sentence of section 3 of the Federal
23 Explosives Act (40 Stat. 385) is amended as follows:
24 “This Act shall not apply to explosives or ingredients which
25 are in transit upon vessels, railroad cars, aircraft, or other

1 conveyances in conformity with statutory law or with the
2 rules and regulations of the Secretary of Transportation.”

3 ADMINISTRATIVE PROVISIONS

4 SEC. 9. (a) In addition to the authority contained in
5 any other Act which is transferred to and vested in the
6 Secretary, the Secretary is authorized, subject to the civil
7 service and classification laws, to select, appoint, employ,
8 and fix the compensation of such officers and employees, in-
9 cluding attorneys, as are necessary to carry out the pro-
10 visions of this Act and to prescribe their authority and
11 duties.

12 (b) Subsection b of section 505 of the Classification
13 Act of 1949 (63 Stat. 959), relating to the maximum
14 number of positions authorized at any one time for grades
15 16, 17, and 18 of the General Schedule of such Act, is
16 further amended by striking the number “twenty-four hun-
17 dred” and by inserting in lieu thereof “twenty-four hundred
18 and forty-five.”

19 (c) The Secretary may obtain services as authorized
20 by section 15 of the Act of August 2, 1946 (60 Stat. 810),
21 but at rates not to exceed \$100 per diem for individuals
22 unless otherwise specified in an appropriation Act.

23 (d) The Secretary is authorized to provide for par-
24 ticipation of military personnel in carrying out his functions.
25 Members of the Army, the Navy, the Air Force, or the

1 Marine Corps may be detailed for service in the Department
2 by the appropriate Secretary, pursuant to cooperative agree-
3 ments with the Secretary of Transportation. Members so
4 detailed shall not be charged against any statutory limitation
5 on grades or strengths applicable to the military departments.

6 (e) (1) Appointment, detail, or assignment to, accept-
7 ance of, and service in any appointive or other position in
8 the Department under the authority of section 4 (1) and
9 section 9 (d) shall in no way affect status, office, rank, or
10 grade which officers or enlisted men may occupy or hold
11 or any emolument, perquisite, right, privilege, or benefit
12 incident to or arising out of any such status, office, rank, or
13 grade. A person so appointed, detailed, or assigned shall
14 not be subject to direction by or control by his armed force
15 or any officer thereof directly or indirectly with respect to
16 the responsibilities exercised in the position to which ap-
17 pointed, detailed, or assigned.

18 (2) The Secretary shall report annually in writing to
19 the appropriate committees of the Congress on personnel
20 appointed and agreements entered into under subsection (d)
21 of this section, including the number, rank, and positions of
22 members of the armed services detailed pursuant thereto.

23 (f) In addition to the authority to delegate and redele-
24 gate contained in any other Act in the exercise of the func-

1 tions transferred to or vested in the Secretary in this Act,
2 the Secretary may delegate any of his functions, powers, and
3 duties to such officers and employees of the Department
4 as he may designate, may authorize such successive redele-
5 gations of such functions, powers, and duties as he may deem
6 desirable, and may make such rules and regulations as may
7 be necessary to carry out his functions, powers, and duties.

8 (g) The personnel, assets, liabilities, contracts, prop-
9 erty, records, and unexpended balances of appropriations,
10 authorizations, allocations, and other funds employed, held,
11 used, arising from, available or to be made available, of the
12 Federal Aviation Agency, and of the head and other officers
13 and offices thereof, are hereby transferred to the Secretary.

14 (h) So much of the personnel, assets, liabilities, con-
15 tracts, property, records, and unexpended balances of ap-
16 propriations, authorizations, allocations, and other funds
17 employed, held, used, arising from, available or to be made
18 available in connection with the functions, powers, and duties
19 transferred by sections 6 (except section 6 (c)) and 8 (d),
20 (e), (f), and (g) of this Act as the Director of the Bureau
21 of the Budget shall determine shall be transferred to the
22 Secretary.

23 (i) The transfer of personnel pursuant to subsections
24 (e) and (f) of this section shall be without reduction in clas-
25 sification and compensation, except that this requirement

1 shall not operate after one year from the date such transfers
2 are made.

3 (j) Any offices and any agency heretofore established
4 by law, all the functions, powers, and duties of which are
5 transferred pursuant to this Act shall lapse: *Provided, how-*
6 *ever,* That this sentence shall not apply to the Coast Guard:
7 *And provided further,* That any person holding a position
8 compensated in accordance with the Federal Executive Sal-
9 ary Schedule who, without a break in service, is appointed
10 in the Department to a position having duties comparable to
11 those performed at the effective date of this Act shall con-
12 tinue to be compensated at not less than the rate provided
13 for such level for the duration of his service in such position.

14 (k) The Secretary is authorized to establish a working
15 capital fund, to be available without fiscal year limitation,
16 for expenses necessary for the maintenance and operation of
17 such common administrative services as he shall find to be
18 desirable in the interest of economy and efficiency in the De-
19 partment, including such services as a central supply service
20 for stationery and other supplies and equipment for which
21 adequate stocks may be maintained to meet in whole or in
22 part the requirements of the Department and its agencies;
23 central messenger, mail, telephone, and other communica-
24 tions services; office space, central services for document re-
25 production, and for graphics and visual aids; and a central

1 library service. The capital of the fund shall consist of the
2 fair and reasonable value of such stocks of supplies, equip-
3 ment, and other assets and inventories on order as the Sec-
4 retary may transfer to the fund, less the related liabilities and
5 unpaid obligations, together with any appropriations made
6 for the purpose of providing capital, which appropriations
7 are hereby authorized. Such funds shall be reimbursed from
8 available funds of agencies and offices in the Department,
9 or from other sources, for supplies and services at rates which
10 will approximate the expense of operation, including the ac-
11 crual of annual leave and the depreciation of equipment. The
12 fund shall also be credited with receipts from sale or exchange
13 of property and receipts in payment for loss or damage
14 to property owned by the fund.

15 (1) The Secretary shall cause a seal of office to be
16 made for the Department of such device as he shall approve,
17 and judicial notice shall be taken of such seal.

18 CONFORMING AMENDMENTS TO OTHER LAWS

19 SEC. 10. (a) Section 19 (d) (1) of title 3, United States
20 Code, is hereby amended by striking out the period at the
21 end thereof and inserting a comma and the following: "Sec-
22 retary of Transportation."

23 (b) Section 158 of the Revised Statutes (5 U.S.C. 1)
24 is amended by adding at the end thereof:

25 "Twelfth. The Department of Transportation."

1 (c) The amendment made by subsection (b) of this
2 section shall not be construed to make applicable to the
3 Department any provision of law inconsistent with this Act.

4 (d) Section 303 of the Federal Executive Salary Act
5 of 1964 (78 Stat. 416) is amended as follows:

6 (1) subsection (a) of that section is amended by adding
7 at the end thereof the following:

8 “(11) Secretary of Housing and Urban Development.

9 “(12) Secretary of Transportation.”

10 (2) subsection (c) of that section is amended by strik-
11 ing “(6) Under Secretary of Commerce for Transportation”
12 and inserting in lieu thereof “(6) Under Secretary of Trans-
13 portation”.

14 (3) subsection (d) of that section is amended by add-
15 ing the following:

16 “(22a) Assistant Secretaries, Department of Transpor-
17 tation (4)”.

18 “(47a) General Counsel, Department of Transporta-
19 tion”.

20 (4) subsection (e) of that section is amended by add-
21 ing the following:

22 “(27a) Assistant Secretary for Administration, Depart-
23 ment of Transportation”.

24 “(101) Chairman, National Transportation Safety
25 Board, Department of Transportation”.

1 (5) subsection (f) of that section is amended by strik-
2 ing out “thirty” and inserting in lieu thereof “thirty-nine.”

3 (6) Immediately following subsection (g) of that sec-
4 tion, the following new subsection is added:

5 “(h) The President is further authorized to place one
6 position in level III.”

7 (e) Subsections (b) (7), (d) (2), and (e) (12),
8 (13), (14), (76), (82), and (89) of section 303 of the
9 Federal Executive Salary Act of 1964 (78 Stat. 416) are
10 repealed, subject to the provisions of section 9 of the Depart-
11 ment of Transportation Act.

12 (f) The Act of August 1, 1956 (70 Stat. 897), is
13 amended by striking the words “Secretary of Commerce”
14 where they appear therein and inserting in lieu thereof
15 “Secretary of Transportation.”

16 (g) Title 18, United States Code, section 1020 is
17 amended by striking the words “Secretary of Commerce”
18 where they appear therein and inserting in lieu thereof “Sec-
19 retary of Transportation.”

20 (h) Subsection (1) of section 801, title 10, United
21 States Code, is amended by striking out “the General Coun-
22 sel of the Department of the Treasury” and inserting in lieu
23 thereof “the General Counsel of the Department of Trans-
24 portation.”

ANNUAL REPORT

SEC. 11. The Secretary shall, as soon as practicable after the end of each fiscal year, make a report in writing to the President for submission to the Congress on the activities of the Department during the preceding fiscal year.

SAVINGS PROVISIONS

SEC. 12. (a) All orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges which have been issued, made, granted, or allowed to become effective by any department or agency, functions of which are transferred by this Act, or by any court of competent jurisdiction, or under any provision of law repealed or amended by this Act, or in the exercise of duties, powers, or functions which, under this Act are vested in the Secretary, and which are in effect at the time this section takes effect, shall continue in effect according to their terms until modified, terminated, superseded, set aside, or repealed by the Secretary, or by any court of competent jurisdiction, or by operation of law.

(b) The provisions of this Act shall not affect any proceedings pending at the time this section takes effect before any department, agency, or component thereof, functions of which are transferred by this Act; but any such proceedings involved in such transfer shall be continued before the De-

1 partment of Transportation, orders therein issued, appeals
2 therefrom taken, and payments made pursuant to such
3 orders, as if this Act had not been enacted; and orders
4 issued in any such proceedings shall continue in effect until
5 modified, terminated, superseded, or repealed by the Secre-
6 tary or by operation of law.

7 (c) The provisions of this Act shall not affect suits
8 commenced prior to the date on which this section takes
9 effect; and all such suits shall be continued by the Depart-
10 ment of Transportation, proceedings therein had, appeals
11 therein taken, and judgments therein rendered, in the same
12 manner and effect as if this Act had not been enacted. No
13 suit, action, or other proceeding commenced by or against
14 any officer in his official capacity of any department or
15 agency, functions of which are transferred by this Act, shall
16 abate by reason of the enactment of this Act. No cause of
17 action by or against any department or agency, functions
18 of which are transferred by this Act, or by or against any
19 officer thereof in his official capacity shall abate by reason
20 of the enactment of this Act. Causes of actions, suits, actions
21 or other proceedings may be asserted by or against the
22 United States or such official of the Department as may
23 be appropriate and, in any litigation pending when this
24 section takes effect, the court may at any time, on its own

1 motion or that of any party, enter an order which will
2 give effect to the provisions of this section.

3 (d) With respect to any function, power, or duty trans-
4 ferred by this Act and exercised hereafter, reference in any
5 other Federal law to any department or agency, officer or
6 office so transferred or functions of which are so transferred
7 shall be deemed to mean the Secretary.

8 SEPARABILITY

9 SEC. 13. If any provision of this Act or the application
10 thereof to any person or circumstances is held invalid, the
11 remainder of this Act, and the application of such provision
12 to other persons or circumstances shall not be affected
13 thereby.

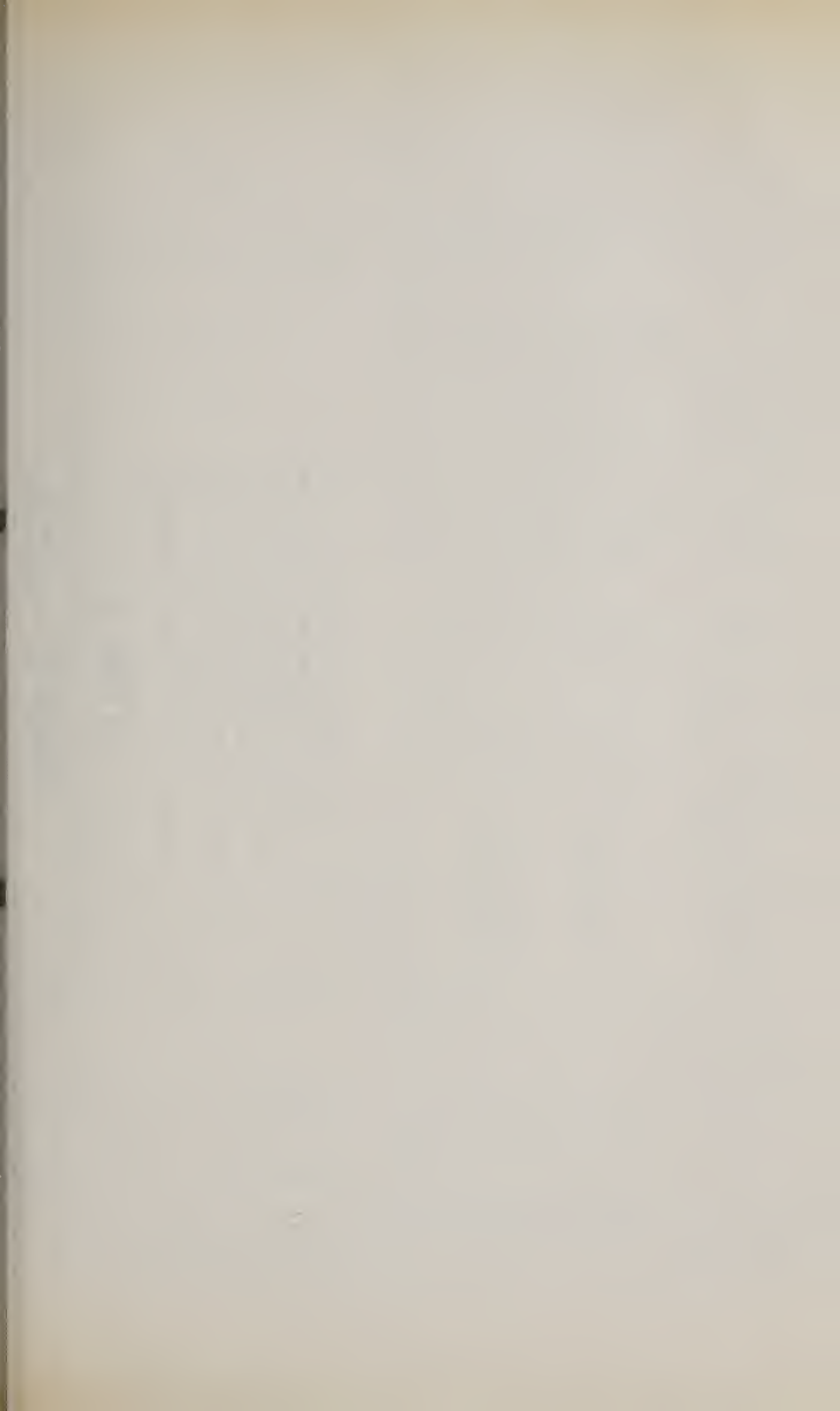
14 CODIFICATION

15 SEC. 14. The Secretary is directed to submit to the
16 Congress within two years from the effective date of this
17 Act, a codification of all laws that contain the powers, duties,
18 and functions transferred to and vested in the Secretary of
19 the Department by this Act.

20 EFFECTIVE DATE

21 SEC. 15. The President and the Secretary are authorized
22 to nominate and appoint any of the officers provided for in
23 sections 3 and 5 of this Act, as provided in such sections, at
24 any time after the date of enactment of this Act. Such

1 officers shall be compensated from the date they first take
2 office, in accordance with sections 5 and 10 of this Act.
3 Such compensation and related expenses of their offices shall
4 be paid from funds available for the functions to be trans-
5 ferred to the Department pursuant to this Act. All other
6 provisions of this Act shall take effect ninety days after the
7 Secretary first takes office, or on such prior date after en-
8 actment of this Act as the President shall prescribe and
9 publish in the Federal Register.



89TH CONGRESS
2^D Session

S. 3010

A BILL

To establish a Department of Transportation,
and for other purposes.

By Mr. MAGNUSON

MARCH 2, 1966

Read twice and referred to the Committee on
Government Operations

spirit yet survives in Texas, and to it we owe our great heritage as a progressive and ever-developing State. Let every Texan, and even every American, acknowledge today the contribution that the fathers of the Republic of Texas bestowed upon our Nation.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce be permitted to sit during general debate this afternoon.

The SPEAKER. Is there objection to the gentleman from West Virginia?
There was no objection.

INTEREST ON EARLY TAX PAYMENTS

(Mr. POFF asked and was given permission to address the House for 1 minute.)

Mr. POFF. Mr. Speaker, when a taxpayer is a little late paying his income tax bill, Uncle Sam exacts a pound of flesh. He not only requires the taxpayer to pay interest on the delinquent debt; he imposes a penalty for the delinquency. If necessary, Uncle Sam can obtain a lien—similar to a mortgage—against everything the taxpayer owns and sell it at public auction in satisfaction of the tax debt.

However, this is not a two-way street. When the taxpayer overestimates and overpays his tax obligation, he cannot require Uncle Sam to pay interest along with the refund. This is a problem of particular and continuing concern to the wage earner. Money is withheld from his check every payday. Uncle Sam has the use of this money before it is due, and the wage earner is deprived of its use for nearly 15 months before it is due. But Uncle Sam pays and the taxpayer receives not a red cent in interest for that privilege.

Why should this be so? It is because the Government is master and the taxpayer the servant. It should not be that way. It should be the other way around. For that reason, I have introduced a bill which will require the Federal Government to pay interest on the money it collects from taxpayers in advance of the due date. The taxpayer would collect his interest by claiming a tax credit when he files his form 1040 on April 15.

DO WE NEED RODEOS?

(Mr. MONAGAN asked and was given permission to extend his remarks in the body of the RECORD in three instances and in two instances to include extraneous matter.)

Mr. MONAGAN. Mr. Speaker, the world press has carried the news that Britain will have a national election on March 31.

The Queen will make the official declaration bringing the present Parliament to an end prior to March 10 and the remaining 3 weeks will be given over to the campaign which will decide all the

members of the House of Commons and the identity of the government.

Would it not be wonderful if we could conduct our national campaigns with this brevity and economy? Nor is this pattern unusual, since nearly every other civilized country from Israel to Canada conducts its campaigns in this moderate way.

Think of all the money that would be saved, of the frazzled nerves that would be prevented, the sheer boredom of the public that would be avoided.

And the issues could be presented to the public just as effectively in 30 days as in 120.

Surely the British and Canadians are no more intelligent than we and yet they go about the business of choosing their national leaders without the fuss, feathers and general circus atmosphere that characterizes our campaigns.

It is high time we considered bringing these rodeos under control. Soon it will be necessary for a candidate to be an athletic champion in order to enter a campaign. I doubt that this is what the Founding Fathers had in mind.

My bill, H.R. 96, would require that our presidential campaigns be conducted within a period of 60 days. May I call it again to the attention of the House and renew my request for support?

CALL OF THE HOUSE

Mr. SPRINGER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 27]

Annunzio	Fuqua	Matthews
Baldwin	Garmatz	Miller
Berry	Gialmo	Morton
Blatnik	Hagan, Ga.	O'Brien
Colmer	Hansen, Wash.	Powell
Dague	Hays	Resnick
Dawson	Holland	Rostenkowski
Dowdy	Leggett	Scott
Edwards, Calif.	Long, Md.	Sickles
Fallon	McMillan	Toil
Feighan	Macdonald	Willis
Fisher	Machen	Wilson,
Friedel	Martin, Ala.	Charles H.
Fulton, Tenn.	Mathias	

The SPEAKER. On this rollcall, 389 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

SUBCOMMITTEE ON BANK SUPERVISION AND INSURANCE, COMMITTEE ON BANKING AND CURRENCY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Subcommittee on Bank Supervision and Insurance of the Committee on Banking and Currency may sit during general debate today.

The SPEAKER. Is there objection to

the request of the gentleman from Oklahoma?

There was no objection.

CORRECTION OF ROLLCALL

Mr. GRAY. Mr. Speaker, on rollcall No. 26 on yesterday, I am recorded as having not voted. I was present and voted "yea" and I ask unanimous consent that the permanent RECORD and Journal be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

CORRECTION OF RECORD

Mr. PUCINSKI. Mr. Speaker, on page 4288 of the CONGRESSIONAL RECORD of March 1 at the conclusion of my own remarks in support of the bill, H.R. 12889, my remarks were merged with the remarks of the gentleman from California [Mr. BROWN] as the result of a typographical error. I ask unanimous consent that the RECORD be corrected so that his remarks are properly identified as belonging to him.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

TRANSPORTATION — MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 399)

The SPEAKER laid before the House the following message from the President of the United States; which was read and referred to the Committee of the Whole House on the State of the Union and ordered to be printed:

To the Congress of the United States:

Two centuries ago the American Nation came into being. Thirteen sparsely populated Colonies, strung out along the Atlantic seaboard for 1,300 miles, joined their separate wills in a common endeavor.

Three bonds united them.

There was the cultural bond of a single language.

There was the moral bond of a thirst for liberty and democratic government.

There was the physical bond of a few roads and rivers, by which the citizens of the Colonies engaged in peaceful commerce.

Two centuries later the language is the same. The thirst for liberty and democracy endures.

The physical bond—that tenuous skein of rough trails and primitive roads—has become a powerful network on which the prosperity and convenience of our society depend.

In a nation that spans a continent, transportation is the web of union.

THE GROWTH OF OUR TRANSPORTATION SYSTEM

It is not necessary to look back to the 1760's to chronicle the astonishing growth of American transportation.

Twenty years ago there were 31 million motor vehicles in the United States. Today there are 90 million. By 1975 there will be nearly 120 million.

Twenty years ago there were 1.5 million miles of paved roads and streets in the United States. Today this figure has almost doubled.

Twenty years ago there were 38,000 private and commercial aircraft. Today there are more than 97,000.

Twenty years ago commercial airlines flew 209 million miles. Last year they flew 1 billion miles.

Twenty-five years ago American transportation moved 619 billion ton-miles of cargo. In 1964, 1.5 trillion ton-miles were moved.

The manufacturing of transportation equipment has kept pace. It has tripled since 1947. Last year \$4.5 billion was spent for new transportation plant and equipment.

Transportation is one of America's largest employers. There are: 737,000 railroad employees; 270,000 local and interurban workers; 230,000 in air transport; almost a million men and women in motor transport and storage.

Together with pipeline and water transportation employees, the total number of men and women who earn their livelihoods by moving people and goods is well over 2½ million.

The Federal Government supports or regulates almost every means of transportation. Last year alone, more than \$5 billion in Federal funds were invested in transportation—in highway construction, in river and harbor development, in airway operation and airport construction, in maritime subsidies. The Government owns 1,500 of the Nation's 2,500 oceangoing cargo vessels.

Our transportation system—the descendant of the horse-drawn coaches and sailing ships of colonial times—accounts for one in every six dollars in the American economy. In 1965, that amounted to \$120 billion—a sum greater than the gross national product of this Nation in 1940.

SHORTCOMINGS OF OUR SYSTEM

Vital as it is, mammoth and complex as it has become, the American transportation system is not good enough.

It is not good enough when it offers nearly a mile of street or road for every square mile of land—and yet provides no relief from time-consuming, frustrating, and wasteful congestion.

It is not good enough when it produces sleek and efficient jet aircraft—and yet cannot move passengers to and from airports in the time it takes those aircraft to fly hundreds of miles.

It is not good enough when it builds superhighways for supercharged automobiles—and yet cannot find a way to prevent 50,000 highway deaths this year.

It is not good enough when public and private investors pour \$15 million into a large, high-speed ship—only to watch it remain idle in port for days before it is loaded.

It is not good enough when it lays out new freeways to serve new cities and suburbs—and carelessly scars the irreplaceable countryside.

It is not good enough when it adheres to custom for its own sake—and ignores opportunities to serve our people more economically and efficiently.

It is not good enough if it responds to the needs of an earlier America—and does not help us expand our trade and distribute the fruits of our land throughout the world.

WHY WE HAVE FALLEN SHORT

Our transportation system has not emerged from a single drawing board, on which the needs and capacities of our economy were all charted. It could not have done so, for it grew along with the country itself—now restlessly expanding, now consolidating, as opportunity grew bright or dim.

Thus investment and service innovations responded to special needs. Research and development were sporadic, sometimes inconsistent, and largely oriented toward the promotion of a particular means of transportation.

As a result, America today lacks a coordinated transportation system that permits travelers and goods to move conveniently and efficiently from one means of transportation to another, using the best characteristics of each.

Both people and goods are compelled to conform to the system as it is, despite the inconvenience and expense of—

Aging and often obsolete transportation plant and equipment.

Networks chiefly designed to serve a rural society.

Services long outstripped by our growing economy and population, by changes in land use, by new concepts in industrial plant location, warehousing, and distribution.

The failure to take full advantage of new technologies developed elsewhere in the economy.

Programs and policies which impede private initiative and dull incentives for innovation.

The result is waste—of human and economic resources—and of the taxpayers' dollar.

We have abided this waste too long.

We must not permit it to continue.

We have too much at stake in the quality and economy of our transportation system. If the growth of our transport industries merely keeps pace with our current national economic growth, the demand for transportation will more than double in the next 20 years.

But even that is too conservative an estimate. Passenger transportation is growing much faster than our gross national product—reflecting the desires of an affluent people with ever-increasing incomes.

PRIVATE AND PUBLIC RESPONSIBILITY

The United States is the only major nation in the world that relies primarily upon privately owned and operated transportation.

That national policy has served us well. It must be continued.

But private ownership has been made feasible only by the use of publicly granted authority and the investment of public resources—

By the construction of locks, dams, and channels on our rivers and inland waterways.

By the development of a vast highway network.

By the construction and operation of airports and airways.

By the development of ports and harbors.

By direct financial support to the merchant marine.

By grants of eminent domain authority.

By capital equipment grants and demonstration projects for mass transit.

In years past, by grants of public land to assist the railroads.

Enlightened government has served as a full partner with private enterprise in meeting America's urgent need for mobility.

That partnership must now be strengthened with all the means that creative federalism can provide. The costs of a transportation paralysis in the years ahead are too severe. The rewards of an efficient system are too great. We cannot afford the luxury of drift—or proceed with business as usual.

We must secure for all our travelers and shippers the full advantages of modern science and technology.

We must acquire the reliable information we need for intelligent decisions.

We must clear away the institutional and political barriers which impede adaptation and change.

We must promote the efforts of private industry to give the American consumer more and better service for his transportation dollar.

We must coordinate the executive functions of our transportation agencies in a single coherent instrument of Government. Thus, policy guidance and support for each means of transportation will strengthen the national economy as a whole.

A DEPARTMENT OF TRANSPORTATION

I urge the Congress to establish a Cabinet level Department of Transportation.

I recommend that this Department bring together almost 100,000 employees and almost \$6 billion of Federal funds now devoted to transportation.

I urge the creation of such a Department to serve the growing demands of this great Nation, to satisfy the needs of our expanding industry and to fulfill the right of our taxpayers to maximum efficiency and frugality in Government operations.

In so doing, I follow the recommendations of many outstanding Americans.

In 1936, a Select Committee of the U.S. Senate recommended a Department of Transportation, or, in the alternative, the consolidation of all transportation programs in the Department of Commerce.

In 1949, the Hoover Commission Task Force on Transportation recommended a Department of Transportation.

In 1961 President Eisenhower recommended such a Department in his budget message.

In 1961 a special study group of the Senate Committee on Commerce recommended that all promotional and safety programs of the Federal Government be concentrated in a Department of Transportation.

Many distinguished Members of Congress have offered bills to create the Department. Private citizens, the Nation's leading experts in the field, have made the same recommendation to me.

It is time to act on these recommendations.

SCOPE OF THE DEPARTMENT

I propose that the following agencies and functions be consolidated in the Department of Transportation:

1. The Office of the Under Secretary of Commerce for Transportation, and its policy, program, emergency transportation and research staffs.

2. The Bureau of Public Roads and the Federal-aid highway program it administers.

3. The Federal Aviation Agency. This key agency, with its functions in aviation safety, promotion, and investment, will be transferred in its entirety to the new Department. It will continue to carry out these functions in the new Department.

4. The Coast Guard, whose principal peacetime activities relate to transportation and marine safety. The Coast Guard will be transferred as a unit from the Treasury Department. As in the past, the Coast Guard will operate as part of the Navy in time of war.

5. The Maritime Administration, with its construction and operating subsidy programs.

6. The safety functions of the Civil Aeronautics Board, the responsibility for investigating and determining the probable cause of aircraft accidents and its appellate functions related to safety.

7. The safety functions and car service functions of the Interstate Commerce Commission, principally the inspection and enforcement of safety regulations for railroads, motor carriers, and pipelines, and the distribution of rail car supply in times of shortage.

8. The Great Lakes Pilotage Administration, the St. Lawrence Seaway Development Corporation, the Alaska Railroad, and certain minor transportation-related activities of other agencies.

As this list indicates, I am recommending the consolidation into the Department of those Federal agencies whose primary functions are transportation promotion and safety.

NATIONAL TRANSPORTATION SAFETY BOARD

No function of the new Department—no responsibility of its Secretary—will be more important than safety. We must insure the safety of our citizens as they travel on our land, in our skies, and over our waters.

I recommend that there be created under the Secretary of Transportation a National Transportation Safety Board independent of the operating units of the Department.

The sole function of this Board will be the safety of our travelers. It will review investigations of accidents to seek their causes. It will determine compliance with safety standards. It will examine the adequacy of the safety standards themselves. It will assume safety functions transferred from the ICC and the CAB.

I consider the functions of this Board so important that I am requesting authority from the Congress to name five Presidential appointees as its members.

RELATION TO OTHER GOVERNMENT ACTIVITIES

The activities of several departments and agencies affect transportation promotion and safety. Sound management requires that an appropriate and intimate relationship be established between those activities and the new Department of Transportation.

1. The subsidy functions of the Civil Aeronautics Board.

Aviation subsidies—now provided only for local airline service—clearly promote our domestic transportation system. But subsidy awards are an integral part of the process of authorizing air carrier service. This is a regulatory function.

Therefore the airline subsidy program should remain in the Civil Aeronautics Board. The Secretary of Transportation, however, will develop principles and criteria which the Board will take into consideration in its proceedings. In this way the subsidy program will be coordinated with overall national transportation policy.

2. The navigation program of the Corps of Engineers.

The Corps of Engineers—through its construction of locks and harbor facilities and its channel deepening and river bank protection work—makes a major contribution to water transportation. The Department of Transportation should not assume the responsibility for that construction, but its Secretary should be involved in the planning of water transportation projects.

With the approval of the President, the Secretary of Transportation should also issue standards and criteria for the economic evaluation of Federal transportation investments generally. In the case of transportation features of multipurpose water projects, he should do so after consulting with the Water Resources Council.

3. International aviation.

The Secretary of Transportation should provide leadership within the executive branch in formulating long-range policy for international aviation. While foreign policy aspects of international aviation are the responsibility of the Secretary of State, the Secretary of Transportation should insure that our international aviation policies are consistent with overall national transportation policy.

Subject to policy determinations by the President, the Civil Aeronautics Board regulates international aviation routes and fares as they affect the United States. This function has far-reaching effects on our foreign policy, our balance of payments, and the vitality of American aviation. The Secretary of Transportation should participate in Civil Aeronautics Board proceedings that involve international aviation policy.

4. Urban transportation.

The Departments of Transportation and Housing and Urban Development must cooperate in decisions affecting urban transportation.

The future of urban transportation—the safety, convenience, and indeed the livelihood of its users—depends upon wide-scale, rational planning. If the Federal Government is to contribute to that planning, it must speak with a coherent voice.

The Department of Housing and Urban Development bears the principal responsibility for a unified Federal approach to urban problems. Yet it cannot perform this task without the counsel, support, and cooperation of the Department of Transportation.

I shall ask the two Secretaries to recommend to me, within a year after the creation of the new Department, the means and procedures by which this cooperation can best be achieved—not only in principle, but in practical effect.

ROLE OF THE DEPARTMENT

The Department of Transportation will—

Coordinate the principal existing programs that promote transportation in America.

Bring new technology to a total transportation system by promoting research and development in cooperation with private industry.

Improve safety in every means of transportation.

Encourage private enterprise to take full and prompt advantage of new technological opportunities.

Encourage high-quality, low-cost service to the public.

Conduct systems analyses and planning to strengthen the weakest parts of today's system.

Develop investment criteria and standards and analytical techniques to assist all levels of government and industry in their transportation investments.

THE INTERSTATE COMMERCE COMMISSION

The Cabinet-level Department I recommend will not alter the economic regulatory functions of the Interstate Commerce Commission, the Civil Aeronautics Board, or the Federal Maritime Commission.

I do recommend, however, a change in the manner of selecting the Chairman of the Interstate Commerce Commission.

Today, the Chairman of this vital Commission—alone among the Federal regulatory agencies—is selected, not by the President, but by annual rotation among the 11 Commissioners.

This is not sound management practice in an agency whose influence on our rail, highway, waterway, and pipeline industries is so far reaching.

The ICC bears the demanding and challenging responsibility to keep Federal regulation attuned to the needs and opportunities of a dynamic industry. Its jurisdiction extends to 18,000 transport companies. It handles 7,000 cases each year. No private corporation of such size and importance would change its chief executive officer once each year.

I shall shortly submit to the Congress a reorganization plan to give the President authority to designate the Chairman of the Interstate Commerce Commission from among its members and to strengthen his executive functions.

SAFETY

One hundred and five thousand Americans died in accidents last year.

More than half were killed in transportation or in recreation accidents related to transportation.

Forty-nine thousand deaths involved motor vehicles.

One thousand three hundred involved aircraft.

One thousand five hundred involved ships and boats.

Two thousand three hundred involved railroads.

Million of Americans were injured in transportation accidents—the overwhelming majority involving automobiles.

Each means of transportation has developed safety programs of varying effectiveness. Yet we lack a comprehensive program keyed to a total transportation system.

Proven safety techniques in one means have not always been adapted in others.

Last year the highway death toll set a new record. The prediction for this year is that more than 50,000 persons will die on our streets and highways—more than 50,000 useful and promising lives will be lost, and as many families stung by grief.

The toll of Americans killed in this way since the introduction of the automobile is truly unbelievable. It is 1.5 million—more than all the combat deaths suffered in all our wars.

No other necessity of modern life has brought more convenience to the American people—or more tragedy—than the automobile.

WHY WE ARE FAILING

The carnage on the highways must be arrested.

As I said some weeks ago, we must replace suicide with sanity and anarchy with safety.

The weaknesses of our present highway safety program must be corrected—

Our knowledge of causes is grossly inadequate. Expert opinion is frequently contradictory and confusing.

Existing safety programs are widely dispersed. Government and private efforts proceed separately, without effective coordination.

There is no clear assignment of responsibility of the Federal level.

The allocation of our resources to highway safety is inadequate.

Neither private industry nor Government officials concerned with automotive transportation have made safety first among their priorities. Yet we know that expensive freeways, powerful engines, and smooth exteriors will not stop the massacre on our roads.

WHAT CAN BE DONE

State and local resources are insufficient to bring about swift reductions in the highway death rate. The Federal Government must provide additional resources. Existing programs must be expanded. Pioneer work must begin in neglected areas.

Federal highway safety responsibilities should be incorporated into the Department of Transportation, in a total transportation safety program.

I have already set in motion a number of steps under existing law:

1. To strengthen the Federal role, I am assigning responsibility for coordinating Federal highway safety programs to the Secretary of Commerce. I am directing the Secretary to establish a major highway safety unit within his Department. This unit will ultimately be transferred to the Department of Transportation. The President's Committee on Traffic Safety will be reorganized, strengthened and supported entirely by Federal funds. The Interdepartmental Highway Safety Board will be reconstituted and the Secretary's role strengthened.

2. To give greater support to our safety programs, I am requesting increased funds for research, accident data collection, improved emergency medical service, driver education and testing and traffic control technology.

I have also asked the Secretary of Commerce to evaluate systematically the resources allocated to traffic safety, to insure that we are receiving the maximum benefits from our present efforts.

3. To improve driving conditions, I have ordered that high priority be given to our efforts to build safety features into the Federal-aid highway network.

4. To save those who are injured, I have directed the Secretary of Health, Education, and Welfare, in cooperation with the Secretary of Commerce, immediately to initiate projects to demonstrate techniques for more effective emergency care and transportation. He will work in full cooperation with State, local, and private officials.

5. To help us better understand the causes of highway accidents, I have asked the Secretary of Commerce to establish accident investigation teams, who will bring us new understanding of highway accidents and their causes.

6. To make Government vehicles safer, I have asked the Administrator of General Services, in cooperation with the Secretary of Commerce, to begin a detailed study of the additional vehicle safety features that should be added to the Federal fleet.

THE TRAFFIC SAFETY ACT OF 1966

More—much more—remains to be done. The people of America deserve an aggressive highway safety program.

I believe that the Congress—the same Congress which last year gave the Secretary of Commerce broad authority to set uniform standards for State highway safety programs—will join in our efforts to bring that program into being.

I urge the Congress to enact the Traffic Safety Act of 1966.

I urge greater support for State highway safety programs.

I urge the creation of a National Highway Research and Test Facility.

To begin, I recommend a \$700 million, 6-year program.

The three components of this program are as critically important as the problems they address.

First, Federal grants to the States for highway safety will be increased. With these funds, a comprehensive highway safety program can be developed by each State under standards approved by the Secretary of Commerce. Included will

be measures such as driver education and licensing—advanced traffic control techniques—regular vehicle safety inspections—police and emergency medical services.

Second, automobile safety performance will be improved. Proper design and engineering can make our cars safer. Vehicles sold in interstate commerce must be designed and equipped for maximum safety. Safe performance design standards must be met in tomorrow's cars.

I recommend that the Secretary of Commerce be given authority to determine the necessary safety performance criteria for all vehicles and their components.

If, after a 2-year period, the Secretary finds that adequate voluntary standards are not satisfactory, he would be authorized to prescribe nationwide mandatory safety standards. He would be also authorized to prohibit the sale in interstate commerce of new vehicles and their components which failed to meet those standards.

Third, the Federal Government's highway safety research efforts will be expanded.

I recommend construction of a national highway safety research and test center.

Funds are needed to support research and testing in many disciplines related to highway safety. The public interest demands a better understanding of the human, highway, and vehicle factors which cause death and injury. We must develop more effective countermeasures and objective standards to guide our national programs. Special accident teams should be organized—accurate data collection should be enlarged on a national basis—fellowship grants and research support should be made available to attract the best minds and talents of our Nation to this urgent work.

This new highway safety program would be transferred to the Secretary of Transportation upon the creation of the new Department.

Congress has not hesitated to establish rigorous safety standards for other means of transportation when circumstances demanded them.

Today's highway death toll calls for an equally vigorous and effective expression of concern for our millions of car-owning families. For unless we avert this slaughter, one out of every two Americans will one day be killed or seriously injured on our highways.

SAFETY STANDARDS FOR MOTOR VEHICLE TIRES

I urge the Congress to act speedily and favorably on S. 2669, a bill establishing safety standards for motor vehicle tires sold or shipped in interstate commerce.

Most tires sold to American drivers are produced and properly tested by reputable companies. Nevertheless, evidence has shown that increasing numbers of inferior tires are being sold to unwitting customers throughout the country. The dangers such tires hold for high-speed automobiles and their occupants is obvious.

S. 2669 provides that the Secretary of Commerce shall establish, and publish in the Federal Register, interim minimum safety standards for tires. The Secre-

tary would be required to review these standards 2 years from the enactment of the bill, and to revise them where necessary. A research and development program under his direction would improve the minimum standards for new tires, and develop such standards for retreaded tires.

Our driving public deserves the prompt passage of S. 2669, and the protection it will afford them from accidents caused by tire failures.

SAFETY AT SEA

Last year 90 men and women lost their lives when the cruise ship *Yarmouth Castle* burned and sank in the calm waters of the Caribbean.

The *Yarmouth Castle* was exempt from U.S. safety standards—partially because of its "grandfather rights" under law. It was built before 1937.

We cannot allow the lives of our citizens to depend upon the year in which a ship was built.

The Coast Guard is presently completing its investigation of the *Yarmouth Castle* disaster. The Maritime Administration has already finished its investigation of financial responsibility.

Later in this session—when our inquiries are accomplished and our findings reported—we will submit to the Congress legislation to improve safety measures and guarantees of financial responsibility on the part of owners and operators of passenger-carrying vessels sailing from our ports.

AIR ACCIDENT COMPENSATION

The United States has declared its intention to withdraw from the Warsaw Convention. Under this pact, the financial liability of a member nation's airline is limited to \$8,300 for a passenger's death.

Discussions are underway in the International Civil Aviation Organization to increase this liability for passengers flying anywhere in the world. We have expressed our opinion that the limit of liability should be raised to \$100,000.

RESEARCH AND DEVELOPMENT

Today the United States ranks as the world's leader in technology.

Despite this—and despite the importance of transportation in the competition for international trade—exclusive of national security and space, the Federal Government spends less than 1 percent of its total research and development budget for transportation.

Under our system of government, private enterprise bears the primary responsibility for research and development in the transportation field.

But the Government can help. It can plan and fashion research and development for a total transportation system which is beyond the responsibility or capability of private industry.

Through Government-sponsored research and development we can—

Fully understand the complex relationships among the components of a total transportation system.

Provide comprehensive and reliable data for both private and public decisions.

Identify areas of transportation which can be exploited by private industry to

provide safer and more efficient services to the public,

Build the basis for a more efficient use of public resources.

Provide the technological base needed to assure adequate domestic and international transportation in times of emergency.

Help make significant advances in every phase of transport—in aircraft, in oceangoing ships, in swifter rail service, in safer vehicles.

SUPERSONIC TRANSPORT AIRCRAFT

The United States is preeminent in the field of aircraft design and manufacture.

We intend to maintain that leadership.

As I said in my state of the Union message, I am proposing a program to construct and flight-test a new 2,000-mile-per-hour supersonic aircraft.

Our supersonic transport must be reliable and safe for the passenger.

It must be profitable for both the airlines and the manufacturers.

Its operating performance must be superior to any comparable aircraft.

It must be introduced into the market in a timely manner.

We have underway an intensive research and design program on the supersonic transport, supported by appropriations of \$231 million.

The design competition for this aircraft and its engines is intense and resourceful.

I am requesting \$200 million in fiscal year 1967 appropriations to initiate the prototype phase of the supersonic transport. My request includes funds for the completion of design competition, expanded economic and sonic boom studies, and the start of prototype construction.

We hope to conduct first flight tests of the supersonic transport by 1970, and to introduce it into commercial service by 1974.

AIRCRAFT NOISE

The jet age has brought progress and prosperity to our air transportation system. Modern jets can carry passengers and freight across a continent at speeds close to that of sound.

Yet this progress has created special problems of its own. Aircraft noise is a growing source of annoyance and concern to the thousands of citizens who live near many of our large airports. As more of our airports begin to accommodate jets and as the volume of air travel expands, the problem will take on added dimension.

There are no simple or swift solutions. But it is clear that we must embark now on a concerted effort to alleviate the problems of aircraft noise. To this end, I am today directing the President's Science Adviser to work with the Administrators of the Federal Aviation Agency and National Aeronautics and Space Administration, and the Secretaries of Commerce and of Housing and Urban Development, to frame an action program to attack this problem.

I am asking this group to—

Study the development of noise standards and the compatible uses of land near airports.

Consult with local communities and industry.

Recommend legislative or administrative actions needed to move ahead in this area.

ADVANCED OCEAN VESSEL CONCEPTS

After years of U.S. leadership, maritime technology in other countries has caught up with and, in some instances, surpassed our own.

The U.S. merchant marine suffers in world competition because it bears much higher costs than its competitors. This can be offset in some measure by technological improvements.

The Department of Defense recently launched the fast deployment logistics ship program. This concept introduces to the maritime field the same systems approach that has proven so successful in other Defense and aerospace programs.

To achieve comparable improvements throughout the maritime industry, I am directing the Secretary of Commerce, with the Secretary of Defense, the President's Scientific Adviser, and the Atomic Energy Commission, to conduct a study of advanced vessel concepts.

The work of this team will include:

Research, development, and planning of high-speed, large-capacity ships, devoted primarily to transporting preloaded containers of varying types between the major ports in the world.

Research on an oceangoing surface effects vessel capable of skimming over the water at speeds more than 100 knots.

Continued exploration of the application of nuclear propulsion to merchant marine ships.

Our private shipyards should continue to serve the needs of the country. They can become more productive and competitive through research and development and through standardization of ship construction. With a new Department of Transportation, we will increase our efforts to bring a modern, efficient merchant marine fleet to this Nation.

ADVANCED LAND TRANSPORT

Last year Congress took a long step toward advanced land transportation by enacting the high-speed ground transportation research and development program. This program will be continued at the most rapid pace consistent with sound management of the research effort.

Similar vision and imagination can be applied to highway transport.

Segments of the interstate highway network already in operation are the most efficient, productive roads ever built anywhere in the world. Motor vehicles move at higher rates of speed, more safely, and in greater number per lane than on conventional roads. Transportation costs are reduced, and less land area is needed for this volume of traffic.

With the network about half completed after 10 years, it is apparent that interstate highways, as well as other roads and streets, can become even more productive and safe.

Accordingly, I am directing the Secretary of Commerce to—

Investigate means for providing guidance and control mechanisms to increase the capacity and improve the safety of our highway network.

Conduct research into the means of improving traffic flow—particularly in our cities—so we can make better use of our existing roads and streets.

Investigate the potential of separate roadways for various classes of vehicles, with emphasis on improving mass transportation service.

SYSTEMS RESEARCH

Some of our brightest opportunities in research and development lie in the less obvious and often neglected parts of our transportation system.

We spend billions for constructing new highways, but comparatively little for traffic control devices.

We spend millions for fast jet aircraft—but little on the traveler's problem of getting to and from the airport.

We have mounted a sizable government-industry program to expand exports, yet we allow a mountain of red-tape paperwork to negate our efforts. Worldwide, a total of 810 forms are required to cover all types of cargo imported and exported. In this country alone, as many as 43 separate forms are used in one export shipment. Eighty separate forms may be needed to process some imports. This is paperwork run wild.

I am directing the Secretaries of Treasury and Commerce and the Attorney General to attack these problems, through the use of effective systems research programs. And I have directed them to eliminate immediately every unnecessary element of redtape that inhibits our import and export programs.

TRANSPORTATION FOR AMERICA

The Founding Fathers rode by stage to Philadelphia to take part in the Constitutional Convention. They could not have anticipated the immense complexity—or the problems—of transportation in our day.

Yet they, too, recognized the vital national interest in commerce between the States. The early Congresses expressed that interest even more directly, by supporting the development of road and waterway systems.

Most important, the Founding Fathers gave us a flexible system of government. Cities, States and the Federal Government can join together—and in many cases work with private enterprise—in partnerships of creative federalism to solve our most complex problems.

For the very size of our transportation requirements—rising step by step with the growth of our population and industry—demands that we respond with new institutions, new programs of research, new efforts to make our vehicles safe, as well as swift.

Modern transportation can be the rapid conduit of economic growth—or a bottleneck.

It can bring jobs and loved ones and recreation closer to every family—or it can bring instead sudden and purposeless death.

It can improve every man's standard of living—or multiply the cost of all he buys.

It can be a convenience, a pleasure, the passport to new horizons of the mind and spirit—or it can frustrate and impede and delay.

The choice is ours to make.

We build the cars, the trains, the planes, the ships, the roads, and the airports. We can, if we will, plan their safe and efficient use in the decades ahead to improve the quality of life for all Americans.

The program I have outlined in this message is the first step toward that goal.

I urge its prompt enactment by the Congress.

LYNDON B. JOHNSON.

THE WHITE HOUSE, March 2, 1966.

PROPOSED CREATION OF DEPARTMENT OF TRANSPORTATION

(Mr. ALBERT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALBERT. Mr. Speaker, I am delighted that the President has sent up his message on transportation. In this message the President has constructively recommended the creation of a Department of Transportation for dealing with the many urgent problems in this area. Transportation affects and is affected by many economic, social and institutional factors. What the President's decision reflects is an understanding that we must provide strong central leadership for those persons and organizations at the Federal level who are involved in the functioning of our transportation system.

The creation of a Department of Transportation will permit the Federal Government consciously to focus the leadership of our private industry, economists, scientists, engineers, labor, and others upon the broad problems of transportation which recognize no disciplinary barrier. In no other way can we give effective leadership in an area which reaches so deeply into the economic, social and political structure of our daily lives.

As the President has indicated, there are today a host of Federal agencies concerned with transportation. They are often participating in the development and the utilization of transportation services under a disparate and uncoordinated set of policy guidelines.

Transportation incorporates the total movement of vehicles, including facilities and personnel required to assure that people and goods are efficiently and economically distributed to points of destination both within and across the borders of the Nation. It is estimated that this total effort represents an expenditure approaching \$125 billion per year. Furthermore, transportation consumes as much as 45 percent of the total national expenditure of energy. It has puzzled me as to how this vital service, with such a pervasive influence on every major aspect of the Nation's economy, has functioned without more centralized leadership.

The creation of the Department of Transportation will undoubtedly improve the total efficiency of our transportation system, eliminate wasteful allocation of resources, and permit us to take advantage of technological innovations in assuring the future growth and development of transportation. Only a Federal

department can deal effectively with this staggering and complex system. Such a department is long overdue.

(Mr. BOGGS (at the request of Mr. ALBERT) was granted permission to extend his remarks at this point.)

[Mr. BOGGS addressed the House. His remarks will appear hereafter in the Appendix.]

(Mr. HOLIFIELD asked and was given permission to extend his remarks at this point.)

Mr. HOLIFIELD. Mr. Speaker, at the request of the President and on behalf of myself, I introduce for appropriate reference, a bill to create a Cabinet-level Department of Transportation, H.R. 13200.

This is not a new idea which we are being asked to consider. It has been before the Congress in one form or another some 17 times in the past 92 years.

There is a new sense of urgency attached to the issue today, however.

The future growth and expansion of our economy and the continuing population explosion makes it necessary for us to insure that we will be able to meet the future challenge of mobility and keep this Nation strong and prosperous.

Our population will double by the end of this century. All the facilities needed to service that population also will have to double.

Since the turn of the century there has emerged on the scene four new systems of transportation—the automobile, the motor truck, the airplane, and the pipeline.

We cannot hope for four more new forms of transport to keep us moving in the days and years of growth and expansion that lie ahead.

We have to do a better job with what we have. We will have to find new ways of marshaling our knowledge, of applying and developing technology, of coordinating and integrating existing modes. We will have to reach new heights, too, in research and development of the ways and means of moving people and goods at the lowest cost, in the safest manner, and in response to the varied demands of our complex society.

We shall have to reach new peaks of leadership and administrative skill to attain these objectives under the same system of free enterprise that has marked our Nation's progress from its very beginning.

In order to meet our objectives and provide for our increasing needs, we must be sure that we have the most efficient Government organization possible. We must take every necessary step to see that we do not build in institutional barriers to progress and we must be equally sure that we have a mechanism which will guarantee efficient allocation of the economy's scarce resources among the many competing programs.

The President feels that these are compelling reasons for creating a new Department of Transportation. The creation of a new Department at Cabinet level is not an act to be taken lightly. Since 1913, there have been only three new departments created. The Department of Transportation will be the fourth.

Senate

WEDNESDAY, MARCH 2, 1966

The Senate met at 12 o'clock meridian, and was called to order by the President pro tempore.

Bishop W. Earl Ledden, Wesley Theological Seminary, Washington, D.C., offered the following prayer:

Blessed be Thou, O Lord our God, ruler of the world, by whose law the shadows of evening fall and the gates of morning are opened. In wisdom Thou hast established the changes of times and seasons, and ordered the ways of the stars in their heavenly courses. Creator of Heaven and Earth, O living God, rule Thou over us forever.

Rule Thou over us, then, this day, for this is our brief day to do Thy will. The day will soon be past, gone forever beyond our mortal reach. But the deeds and decisions of this hour will live on—for evil or for good—in the on-going life of our Nation and our world.

Grant us, O Lord, wisdom and perspective as we choose our words and discharge our duties, that all our works—begun, continued and ended in Thee—may glorify Thy holy name and benefit Thy human family in this dear land and across the world.

In the name of Christ. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, March 1, 1966, was dispensed with.

MESSAGES FROM THE PRESIDENT— APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Jones, one of his secretaries, and he announced that on March 1, 1966, the President had approved and signed the act (S. 1407) for the relief of Frank E. Lipp.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed a bill (H.R. 9302) for the relief of Lt. Charles W. Pittman, Jr., U.S. Navy, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (S. 251) to provide for the establishment of the Cape Lookout National Seashore in the State of North Carolina, and for other purposes, and it was signed by the Vice President.

HOUSE BILL REFERRED

The bill (H.R. 9302) for the relief of Lt. Charles W. Pittman, Jr., U.S. Navy, was read twice by its title and referred to the Committee on the Judiciary.

LIMITATION ON STATEMENTS DURING TRANSACTION OF ROUTINE MORNING BUSINESS

On request of Mr. MANSFIELD, and by unanimous consent, statements during the transaction of routine morning business were ordered limited to 3 minutes.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the following committees and subcommittees were authorized to meet during the session of the Senate today:

The Committee on Aeronautical and Space Sciences.

The Subcommittee on Constitutional Amendments of the Committee on the Judiciary.

The Subcommittee on Constitutional Rights of the Committee on the Judiciary.

The Subcommittee on Foreign Aid Expenditures of the Government Operations Committee.

The Subcommittee on Improvements in the Judicial Machinery of the Committee on the Judiciary.

CORRECTION OF PERMANENT RECORD

Mr. MANSFIELD. Mr. President, on yesterday, March 1, we passed a most significant and vital authorization bill, S. 2791. I made a brief statement following the passage of that bill, and a portion of that statement was not included in the RECORD.

I would like to restate now what I said yesterday and have the permanent RECORD of yesterday corrected accordingly.

Mr. President, it is always a great honor and a distinct privilege to congratulate the distinguished senior Senator from Georgia [Mr. RUSSELL]. Today is no exception. The able and skillful chairman of the Armed Services Com-

mittee has again earned the highest respect of the Senate with the near-unanimous passage of the supplemental authorizations for our Armed Forces.

Characteristically, his resolute and highly capable handling of this measure, more than anything else, was responsible for this great success. He was eloquent. He was articulate. The credit is his and it is richly deserved.

The Senate's action today represents just one of many brilliant achievements in support of our servicemen brought about by the tireless efforts of the great Georgia Senator. Through the years he has keenly appreciated and anticipated consistently the needs of our servicemen. That is extremely important. But even more, he, like no others, has devoted his unexcelled determination and undaunted capacities to assuring the fulfillment of those needs—all to make our troops unmatched on the face of the earth. So again today he has successfully represented those men with his usual incomparable advocacy, or, as he put it himself—with all the power of his being. We are grateful. All America is grateful.

We are grateful, too, for the splendid efforts of the junior Senator from Mississippi [Mr. STENNIS]. As chairman of the Preparedness Investigating Subcommittee, he is always a tireless and devoted worker for the men of our armed services. Today's success is his to share.

And to the distinguished senior Senator from Massachusetts [Mr. SALTONSTALL] goes high commendation and sincere appreciation for his unsurpassed cooperative leadership. As always, his unflinching efforts helped immensely to bring about the passage of this most important authorization.

Finally, I personally am deeply grateful to those Members of this body who so ably and properly presented their own views concerning our efforts in Vietnam, but who nonetheless joined today in giving our fighting men the decisive support which they deserve so much. I am referring particularly to the distinguished Senator from Arkansas—that astute and eloquent chairman of the Foreign Relations Committee. I also refer to the senior Senators from Indiana [Mr. HARTKE], Idaho [Mr. CHURCH], Pennsylvania [Mr. CLARK], and Tennessee [Mr. GORE], to the junior Senators from Ohio [Mr. YOUNG] and South Dakota [Mr. MCGOVERN], and to all other Senators who, while examining and analyzing our southeast Asia policy and the nature of our commitments there—which is truly their privilege in the best traditions of this body, today stood behind our troops to meet the vital needs of those brave men who risk their lives daily.

Additionally, I want to express my sincere appreciation to the senior Senator from Oregon [Mr. MORSE] and the junior Senator from Alaska [Mr. GRUENING] for the cooperation shown in assisting us in the completion of this measure today. Their sentiments on this measure are strong and sincere and they have articulately expressed their views, but they did not attempt to prevent the Senate from exercising its will on the measure.

To the Senate as a whole, I express my thanks for completing action today on this important piece of legislation.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

TRAFFIC SAFETY ACT OF 1966

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to provide for a coordinated national safety program and establishment of safety standards for motor vehicles in interstate commerce to reduce traffic accidents and the deaths, injuries, and property damage which occur in such accidents (with accompanying papers); to the Committee on Commerce.

DEPARTMENT OF TRANSPORTATION ACT

A letter from the Assistant Director for Legislative Reference, Bureau of the Budget, Executive Office of the President, transmitting a draft of proposed legislation to establish the Department of Transportation, and for other purposes (with accompanying papers); to the Committee on Government Operations.

RESOLUTION OF RHODE ISLAND GENERAL ASSEMBLY

Mr. PELL. Mr. President, I present for appropriate reference a resolution of the Rhode Island General Assembly memorializing Congress to act favorably on the Employment Security Amendments of 1965, H.R. 8282. I ask unanimous consent that the resolution be printed in the RECORD at this point.

There being no objection, the resolution was referred to the Committee on Finance, as follows:

RHODE ISLAND RESOLUTION

(Resolution memorializing the Congress of the United States to act favorably upon the Employment Security Amendments of 1965 bill (H.R. 8282) now before it)

Whereas the Federal-State unemployment insurance system, established in 1935, has stood the test of time remarkably well; and

Whereas it has kept millions of men and women and their children from what could have been bankruptcy, personal as well as financial, in assisting by payments received as a matter of right in overcoming the hardships of involuntary unemployment; and

Whereas with the passage of years changes in the economic pattern require adjustments; and

Whereas recognizing the need for economic adjustment, the basic objectives of H.R. 8282 are to provide benefits for longer periods, under justifiable circumstances, to additional workers in presently uncovered occupations, in more adequate amounts, while insuring that only those entitled to benefits receive them, and that the balance of Federal and State responsibility be readjusted to reflect the economic developments and the administrative experience of the past 30 years; and

Whereas the passage of H.R. 8282 will strengthen the Federal-State unemployment insurance system with its recognition of the Federal and State responsibilities and relationship; and

Whereas although many improvements in the Federal-State system have been made by action of the States, the fear that the costs of an adequate program might cause employers to transfer their operations to other States which do not meet their responsibilities, has been an impediment to additional improvements in State laws; and

Whereas measures are necessary to provide that employees in a few States are not handicapped with a disproportionate share of the costs of developments benefiting the whole Nation; and

Whereas Federal action was required to bring the system into being, it is now required to stimulate necessary adjustments and improvements nationwide: Now, therefore, be it

Resolved, That the general assembly does hereby memorialize the Congress of the United States to take favorable action upon H.R. 8282, the Employment Security Amendments of 1965 bill now before it; and be it further

Resolved, That the secretary of state be and he is hereby authorized and directed to transmit duly certified copies of this resolution to the Senators and Representatives from Rhode Island in the Congress of the United States in the hope that they will exert every effort to assure passage of this legislation.

TRANSPORTATION AND TRAFFIC SAFETY—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 399)

The PRESIDING OFFICER (Mr. CANNON) in the chair). The Chair lays before the Senate a message from the President of the United States on transportation and traffic safety. Without objection, the message will be printed in the RECORD without being read, and appropriately referred.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that this message be jointly referred to the Committee on Government Operations and the Committee on Commerce.

The PRESIDING OFFICER. Without objection, it is so ordered.

The President's message was referred to the Committees on Government Operations, and Commerce, as follows:

To the Congress of the United States:

Two centuries ago the American Nation came into being. Thirteen sparsely populated Colonies, strung out along the Atlantic seaboard for 1,300 miles, joined their separate wills in a common endeavor.

Three bonds united them.

There was the cultural bond of a single language.

There was the moral bond of a thirst for liberty and democratic government.

There was the physical bond of a few roads and rivers, by which the citizens of the Colonies engaged in peaceful commerce.

Two centuries later the language is the same. The thirst for liberty and democracy endures.

The physical bond—that tenuous skein of rough trails and primitive roads—has become a powerful network on which the prosperity and convenience of our society depend.

In a nation that spans a continent, transportation is the web of union.

THE GROWTH OF OUR TRANSPORTATION SYSTEM

It is not necessary to look back to the 1760's to chronicle the astonishing growth of American transportation.

Twenty years ago there were 31 million motor vehicles in the United States. Today there are 90 million. By 1975 there will be nearly 120 million.

Twenty years ago there were 1.5 million miles of paved roads and streets in the United States. Today this figure has almost doubled.

Twenty years ago there were 38,000 private and commercial aircraft. Today there are more than 97,000.

Twenty years ago commercial airlines flew 209 million miles. Last year they flew 1 billion miles.

Twenty-five years ago American transportation moved 619 billion ton-miles of cargo. In 1964, 1.5 trillion ton-miles were moved.

The manufacturing of transportation equipment has kept pace. It has tripled since 1947. Last year \$4.5 billion was spent for new transportation plant and equipment.

Transportation is one of America's largest employers. There are: 737,000 railroad employees, 270,000 local and interurban workers, 230,000 in air transport, almost a million men and women in motor transport and storage.

Together with pipeline and water transportation employees, the total number of men and women who earn their livelihoods by moving people and goods is well over 2½ million.

The Federal Government supports or regulates almost every means of transportation. Last year alone, more than \$5 billion in Federal funds were invested in transportation—in highway construction, in river and harbor development, in airway operation and airport construction, in maritime subsidies. The Government owns 1,500 of the Nation's 2,500 oceangoing cargo vessels.

Our transportation system—the descendant of the horse-drawn coaches and sailing ships of colonial times—accounts for one in every six dollars in the American economy. In 1965, that amounted to \$120 billion—a sum greater than the gross national product of this Nation in 1940.

SHORTCOMINGS OF OUR SYSTEM

Vital as it is, mammoth and complex as it has become, the American transportation system is not good enough.

It is not good enough when it offers nearly a mile of street or road for every square mile of land—and yet provides no relief from time-consuming, frustrating, and wasteful congestion.

It is not good enough when it produces sleek and efficient jet aircraft—and yet cannot move passengers to and from airports in the time it takes those aircraft to fly hundreds of miles.

It is not good enough when it builds superhighways for supercharged automobiles—and yet cannot find a way to prevent 50,000 highway deaths this year.

It is not good enough when public and private investors pour \$15 million into a large, high-speed ship—only to watch it

remain idle in port for days before it is loaded.

It is not good enough when it lays out new freeways to serve new cities and suburbs—and carelessly scars the irreplaceable countryside.

It is not good enough when it adheres to custom for its own sake—and ignores opportunities to serve our people more economically and efficiently.

It is not good enough if it responds to the needs of an earlier America—and does not help us expand our trade and distribute the fruits of our land throughout the world.

WHY WE HAVE FALLEN SHORT

Our transportation system has not emerged from a single drawing board, on which the needs and capacities of our economy were all charted. It could not have done so, for it grew along with the country itself—now restlessly expanding, now consolidating, as opportunity grew bright or dim.

Thus investment and service innovations responded to special needs. Research and development were sporadic, sometimes inconsistent, and largely oriented toward the promotion of a particular means of transportation.

As a result, America today lacks a coordinated transportation system that permits travelers and goods to move conveniently and efficiently from one means of transportation to another, using the best characteristics of each.

Both people and goods are compelled to conform to the system as it is, despite the inconvenience and expense of—

Aging and often obsolete transportation plant and equipment.

Networks chiefly designed to serve a rural society.

Services long outstripped by our growing economy and population, by changes in land use, by new concepts in industrial plant location, warehousing and distribution.

The failure to take full advantage of new technologies developed elsewhere in the economy.

Programs and policies which impede private initiative and dull incentives for innovation.

The result is waste—of human and economic resources—and of the taxpayers' dollar.

We have abided this waste too long.

We must not permit it to continue.

We have too much at stake in the quality and economy of our transportation system. If the growth of our transport industries merely keeps pace with our current national economic growth, the demand for transportation will more than double in the next 20 years.

But even that is too conservative an estimate. Passenger transportation is growing much faster than our gross national product—reflecting the desires of an affluent people with ever-increasing incomes.

PRIVATE AND PUBLIC RESPONSIBILITY

The United States is the only major Nation in the world that relies primarily upon privately owned and operated transportation.

That national policy has served us well. It must be continued.

But private ownership has been made feasible only by the use of publicly granted authority and the investment of public resources—by the construction of locks, dams, and channels on our rivers and inland waterways; by the development of a vast highway network; by the construction and operation of airports and airways; by the development of ports and harbors; by direct financial support to the merchant marine; by grants of eminent domain authority; by capital equipment grants and demonstration projects for mass transit—in years past, by grants of public land to assist the railroads.

Enlightened government has served as a full partner with private enterprise in meeting America's urgent need for mobility.

That partnership must now be strengthened with all the means that creative federalism can provide. The costs of a transportation paralysis in the years ahead are too severe. The rewards of an efficient system are too great. We cannot afford the luxury of drift—or proceed with business as usual.

We must secure for all our travelers and shippers the full advantages of modern science and technology.

We must acquire the reliable information we need for intelligent decisions.

We must clear away the institutional and political barriers which impede adaptation and change.

We must promote the efforts of private industry to give the American consumer more and better service for his transportation dollar.

We must coordinate the executive functions of our transportation agencies in a single coherent instrument of government. Thus policy guidance and support for each means of transportation will strengthen the national economy as a whole.

A DEPARTMENT OF TRANSPORTATION

I urge the Congress to establish a Cabinet level Department of Transportation.

I recommend that this Department bring together almost 100,000 employees and almost \$6 billion of Federal funds now devoted to transportation.

I urge the creation of such a Department to serve the growing demands of this great Nation, to satisfy the needs of our expanding industry and to fulfill the right of our taxpayers to maximum efficiency and frugality in Government operations.

In so doing, I follow the recommendations of many outstanding Americans.

In 1936, a Select Committee of the U.S. Senate recommended a Department of Transportation, or, in the alternative, the consolidation of all transportation programs in the Department of Commerce.

In 1949, the Hoover Commission Task Force on Transportation recommended a Department of Transportation.

In 1961 President Eisenhower recommended such a Department in his budget message.

In 1961 a Special Study Group of the Senate Committee on Commerce recommended that all promotional and safety programs of the Federal Government be concentrated in a Department of Transportation.

Many distinguished Members of Congress have offered bills to create the Department. Private citizens, the Nation's leading experts in the field, have made the same recommendation to me.

It is time to act on these recommendations.

SCOPE OF THE DEPARTMENT

I propose that the following agencies and functions be consolidated in the Department of Transportation:

1. The Office of the Under Secretary of Commerce for Transportation, and its policy, program, emergency transportation and research staffs.

2. The Bureau of Public Roads and the Federal-aid highway program it administers.

3. The Federal Aviation Agency. This key agency, with its functions in aviation safety, promotion and investment, will be transferred in its entirety to the new Department. It will continue to carry out these functions in the new Department.

4. The Coast Guard, whose principal peacetime activities relate to transportation and marine safety. The Coast Guard will be transferred as a unit from the Treasury Department. As in the past, the Coast Guard will operate as part of the Navy in time of war.

5. The Maritime Administration, with its construction and operating subsidy programs.

6. The safety functions of the Civil Aeronautics Board, the responsibility for investigating and determining the probable cause of aircraft accidents and its appellate functions related to safety.

7. The safety functions and car service functions of the Interstate Commerce Commission, principally the inspection and enforcement of safety regulations for railroads, motor carriers, and pipelines, and the distribution of rail car supply in times of shortage.

8. The Great Lakes Pilotage Administration, the St. Lawrence Seaway Development Corporation, the Alaska Railroad, and certain minor transportation-related activities of other agencies.

As this list indicates, I am recommending the consolidation into the Department of those Federal agencies whose primary functions are transportation promotion and safety.

NATIONAL TRANSPORTATION SAFETY BOARD

No function of the new Department—no responsibility of its Secretary—will be more important than safety. We must insure the safety of our citizens as they travel on our land, in our skies, and over our waters.

I recommend that there be created under the Secretary of Transportation a National Transportation Safety Board independent of the operating units of the Department.

The sole function of this Board will be the safety of our travelers. It will review investigations of accidents to seek their causes. It will determine compliance with safety standards. It will examine the adequacy of the safety standards themselves. It will assume safety functions transferred from the ICC and the CAB.

I consider the functions of this Board so important that I am requesting au-

thority from the Congress to name five Presidential appointees as its members.

RELATION TO OTHER GOVERNMENT ACTIVITIES

The activities of several departments and agencies affect transportation promotion and safety. Sound management requires that an appropriate and intimate relationship be established between those activities and the new Department of Transportation.

1. The subsidy functions of the Civil Aeronautics Board.

Aviation subsidies—now provided only for local airline service—clearly promote our domestic transportation system. But subsidy awards are an integral part of the process of authorizing air carrier service. This is a regulatory function.

Therefore the airline subsidy program should remain in the Civil Aeronautics Board. The Secretary of Transportation, however, will develop principles and criteria which the Board will take into consideration in its proceedings. In this way the subsidy program will be coordinated with overall national transportation policy.

2. The navigation program of the Corps of Engineers.

The Corps of Engineers—through its construction of locks and harbor facilities and its channel deepening and river bank protection work—makes a major contribution to water transportation. The Department of Transportation should not assume the responsibility for that construction, but its Secretary should be involved in the planning of water transportation projects.

With the approval of the President, the Secretary of Transportation should also issue standards and criteria for the economic evaluation of Federal transportation investments generally. In the case of transportation features of multipurpose water projects, he should do so after consulting with the Water Resources Council.

3. International Aviation.

The Secretary of Transportation should provide leadership within the executive branch in formulating long-range policy for international aviation. While foreign policy aspects of international aviation are the responsibility of the Secretary of State, the Secretary of Transportation should insure that our international aviation policies are consistent with overall national transportation policy.

Subject to policy determinations by the President, the Civil Aeronautics Board regulates international aviation routes and fares as they affect the United States. This function has far-reaching effects on our foreign policy, our balance of payments, and the vitality of American aviation. The Secretary of Transportation should participate in Civil Aeronautics Board proceedings that involve international aviation policy.

4. Urban Transportation.

The Departments of Transportation and Housing Urban Development must cooperate in decisions affecting urban transportation.

The future of urban transportation—the safety, convenience, and indeed the livelihood of its users—depends upon wide-scale, rational planning. If the

Federal Government is to contribute to that planning, it must speak with a coherent voice.

The Department of Housing and Urban Development bears the principal responsibility for a unified Federal approach to urban problems. Yet it cannot perform this task without the counsel, support, and cooperation of the Department of Transportation.

I shall ask the two Secretaries to recommend to me, within a year after the creation of the new Department, the means and procedures by which this cooperation can best be achieved—not only in principle, but in practical effect.

ROLE OF THE DEPARTMENT

The Department of Transportation will—

Coordinate the principal existing programs that promote transportation in America.

Bring new technology to a total transportation system, by promoting research and development in cooperation with private industry.

Improve safety in every means of transportation.

Encourage private enterprise to take full and prompt advantage of new technological opportunities.

Encourage high quality, low-cost service to the public.

Conduct systems analyses and planning, to strengthen the weakest parts of today's system.

Develop investment criteria and standards, and analytical techniques to assist all levels of government and industry in their transportation investment.

THE INTERSTATE COMMERCE COMMISSION

The Cabinet-level Department I recommend will not alter the economic regulatory functions of the Interstate Commerce Commission, the Civil Aeronautics Board, or the Federal Maritime Commission.

I do recommend, however, a change in the manner of selecting the Chairman of the Interstate Commerce Commission.

Today, the Chairman of this vital Commission—alone among the Federal regulatory agencies—is selected, not by the President, but by annual rotation among the 11 Commissioners.

This is not sound management practice in an agency whose influence on our rail, highway, waterway, and pipeline industries is so far reaching.

The ICC bears the demanding and challenging responsibility to keep Federal regulation attuned to the needs and opportunities of a dynamic industry. Its jurisdiction extends to 18,000 transport companies. It handles 7,000 cases each year. No private corporation of such size and importance would change its chief executive officer once each year.

I shall shortly submit to the Congress a reorganization plan to give the President authority to designate the Chairman of the Interstate Commerce Commission from among its members, and to strengthen his executive functions.

SAFETY

One hundred and five thousand Americans died in accidents last year.

More than half were killed in transportation, or in recreation accidents related to transportation.

Forty-nine thousand deaths involved motor vehicles.

One thousand three hundred involved aircraft.

One thousand five hundred involved ships and boats.

Two thousand three hundred involved railroads.

Millions of Americans were injured in transportation accidents—the overwhelming majority involving automobiles.

Each means of transportation has developed safety programs of varying effectiveness. Yet we lack a comprehensive program keyed to a total transportation system.

Proven safety techniques in one means have not always been adapted in others.

Last year the highway death toll set a new record. The prediction for this year is that more than 50,000 persons will die on our streets and highways—more than 50,000 useful and promising lives will be lost, and as many families stung by grief.

The toll of Americans killed in this way since the introduction of the automobile is truly unbelievable. It is 1.5 million—more than all the combat deaths suffered in all our wars.

No other necessity of modern life has brought more convenience to the American people—or more tragedy—than the automobile.

WHY WE ARE FAILING

The carnage on the highways must be arrested.

As I said some weeks ago, we must replace suicide with sanity and anarchy with safety.

The weaknesses of our present highway safety program must be corrected—

Our knowledge of causes is grossly inadequate. Expert opinion is frequently contradictory and confusing.

Existing safety programs are widely dispersed. Government and private efforts proceed separately, without effective coordination.

There is no clear assignment of responsibility of the Federal level.

The allocation of our resources to highway safety is inadequate.

Neither private industry nor Government officials concerned with automotive transportation have made safety first among their priorities. Yet we know that expensive freeways, powerful engines, and smooth exteriors will not stop the massacre on our roads.

WHAT CAN BE DONE

State and local resources are insufficient to bring about swift reductions in the highway death rate. The Federal Government must provide additional resources. Existing programs must be expanded. Pioneer work must begin in neglected areas.

Federal highway safety responsibilities should be incorporated into the Department of Transportation, in a total transportation safety program.

I have already set in motion a number of steps under existing law:

1. To strengthen the Federal role, I am assigning responsibility for coordinating Federal highway safety programs to the Secretary of Commerce. I am directing the Secretary to establish a major highway safety unit within his Depart-

ment. This unit will ultimately be transferred to the Department of Transportation. The President's Committee on Traffic Safety will be reorganized, strengthened, and supported entirely by Federal funds. The Interdepartmental Highway Safety Board will be reconstituted and the Secretary's role strengthened.

2. To give greater support to our safety programs, I am requesting increased funds for research, accident data collection, improved emergency medical service, driver education, and testing and traffic control technology.

I have also asked the Secretary of Commerce to evaluate systematically the resources allocated to traffic safety, to insure that we are receiving the maximum benefits from our present efforts.

3. To improve driving conditions, I have ordered that high priority be given to our efforts to build safety features into the Federal-aid highway network.

4. To save those who are injured, I have directed the Secretary of Health, Education, and Welfare, in cooperation with the Secretary of Commerce, immediately to initiate projects to demonstrate techniques for more effective emergency care and transportation. He will work in full cooperation with State, local, and private officials.

5. To help us better understand the causes of highway accidents, I have asked the Secretary of Commerce to establish accident investigation teams, who will bring us new understanding of highway accidents and their causes.

6. To make Government vehicles safer, I have asked the Administrator of General Services, in cooperation with the Secretary of Commerce, to begin a detailed study of the additional vehicle safety features that should be added to the Federal fleet.

THE TRAFFIC SAFETY ACT OF 1966

More, much more, remains to be done. The people of America deserve an aggressive highway safety program.

I believe that the Congress—the same Congress which last year gave the Secretary of Commerce broad authority to set uniform standards for State highway safety programs—will join in our efforts to bring that program into being.

I urge Congress to enact the Traffic Safety Act of 1966.

I urge greater support for State highway safety programs.

I urge the creation of a National Highway Research and Test Facility.

To begin, I recommend a \$700 million, 6-year program.

The three components of this program are as critically important as the problems they address.

First, Federal grants to the States for highway safety will be increased. With these funds, a comprehensive highway safety program can be developed by each State under standards approved by the Secretary of Commerce. Included will be measures such as driver education and licensing, advanced traffic control techniques, regular vehicle safety inspections, police and emergency medical services.

Second, automobile safety performance will be improved. Proper design and engineering can make our cars safer. Vehicles sold in interstate commerce must be designed and equipped for maximum safety. Safe performance design standards must be met in tomorrow's cars.

I recommend that the Secretary of Commerce be given authority to determine the necessary safety performance criteria for all vehicles and their components.

If, after a 2-year period, the Secretary finds that adequate voluntary standards are not satisfactory, he would be authorized to prescribe nationwide mandatory safety standards. He would be also authorized to prohibit the sale in interstate commerce of new vehicles and their components which failed to meet those standards.

Third, the Federal Government's highway safety research efforts will be expanded.

I recommend construction of a national highway safety research and test center.

Funds are needed to support research and testing in many disciplines related to highway safety. The public interest demands a better understanding of the human, highway, and vehicle factors which cause death and injury. We must develop more effective countermeasures and objective standards to guide our national programs. Special accident teams should be organized—accurate data collection should be enlarged on a national basis—fellowship grants and research support should be made available to attract the best minds and talents of our Nation to this urgent work.

This new highway safety program would be transferred to the Secretary of Transportation upon the creation of the new department.

Congress has not hesitated to establish rigorous safety standards for other means of transportation when circumstances demanded them.

Today's highway death toll calls for an equally vigorous and effective expression of concern for our millions of car-owning families. For unless we avert this slaughter, one out of every two Americans will one day be killed or seriously injured on our highways.

SAFETY STANDARDS FOR MOTOR VEHICLE TIRES

I urge the Congress to act speedily and favorably on S. 2669, a bill establishing safety standards for motor vehicle tires sold or shipped in interstate commerce.

Most tires sold to American drivers are produced and properly tested by reputable companies. Nevertheless, evidence has shown that increasing numbers of inferior tires are being sold to unwitting customers throughout the country. The dangers such tires hold for high-speed automobiles and their occupants is obvious.

S. 2669 provides that the Secretary of Commerce shall establish, and publish in the Federal Register, interim minimum safety standards for tires. The Secretary would be required to review these standards 2 years from the enactment of

the bill, and to revise them where necessary. A research and development program under his direction would improve the minimum standards for new tires, and develop such standards for retreaded tires.

Our driving public deserves the prompt passage of S. 2669, and the protection it will afford them from accidents caused by tire failures.

SAFETY AT SEA

Last year 90 men and women lost their lives when the cruise ship *Yarmouth Castle* burned and sank in the calm waters of the Caribbean.

The *Yarmouth Castle* was exempt from U.S. safety standards—partially because of its "grandfather rights" under law. It was built before 1937.

We cannot allow the lives of our citizens to depend upon the year in which a ship was built.

The Coast Guard is presently completing its investigation of the *Yarmouth Castle* disaster. The Maritime Administration has already finished its investigation of financial responsibility.

Later in this session—when our inquiries are accomplished and our findings reported—we will submit to the Congress legislation to improve safety measures and guarantees of financial responsibility on the part of owners and operators of passenger-carrying vessels sailing from our ports.

AIR ACCIDENT COMPENSATION

The United States has declared its intention to withdraw from the Warsaw Convention. Under this pact, the financial liability of a member nation's airline is limited to \$8,300 for a passenger's death.

Discussions are underway in the International Civil Aviation Organization to increase this liability for passengers flying anywhere in the world. We have expressed our opinion that the limit of liability should be raised to \$100,000.

RESEARCH AND DEVELOPMENT

Today the United States ranks as the world's leader in technology.

Despite this—and despite the importance of transportation in the competition for international trade—exclusive of national security and space, the Federal Government spends less than 1 percent of its total research and development budget for transportation.

Under our system of Government, private enterprise bears the primary responsibility for research and development in the transportation field.

But the Government can help. It can plan and fashion research and development for a total transportation system which is beyond the responsibility or capability of private industry.

Through Government-sponsored research and development we can—

Fully understand the complex relationships among the components of a total transportation system.

Provide comprehensive and reliable data for both private and public decisions.

Identify areas of transportation which can be exploited by private industry to

provide safer and more efficient services to the public.

Build the basis for a more efficient use of public resources.

Provide the technological base needed to assure adequate domestic and international transportation in times of emergency.

Help make significant advances in every phase of transport—in aircraft, in oceangoing ships, in swifter rail service, in safer vehicles.

SUPERSONIC TRANSPORT AIRCRAFT

The United States is preeminent in the field of aircraft design and manufacture.

We intend to maintain that leadership.

As I said in my state of the Union message, I am proposing a program to construct and flight test a new 2000-mile-per-hour supersonic aircraft.

Our supersonic transport must be reliable and safe for the passenger.

It must be profitable for both the airlines and the manufacturers.

Its operating performance must be superior to any comparable aircraft.

It must be introduced into the market in a timely manner.

We have underway an intensive research and design program on the supersonic transport, supported by appropriations of \$231 million.

The design competition for this aircraft and its engines is intense and resourceful.

I am requesting \$200 million in fiscal year 1967 appropriations to initiate the prototype phase of the supersonic transport. My request includes funds for the completion of design competition, expanded economic and sonic boom studies, and the start of prototype construction.

We hope to conduct first flight tests of the supersonic transport by 1970, and to introduce it into commercial service by 1974.

AIRCRAFT NOISE

The jet age has brought progress and prosperity to our air transportation system. Modern jets can carry passengers and freight across a continent at speeds close to that of sound.

Yet this progress has created special problems of its own. Aircraft noise is a growing source of annoyance and concern to the thousands of citizens who live near many of our large airports. As more of our airports begin to accommodate jets and as the volume of air travel expands, the problem will take on added dimension.

There are no simple or swift solutions. But it is clear that we must embark now on a concerted effort to alleviate the problems of aircraft noise. To this end, I am today directing the President's Science Adviser to work with the Administrators of the Federal Aviation Agency and National Aeronautics and Space Administration, and the Secretaries of Commerce, and of Housing and Urban Development, to frame an action program to attack this problem.

I am asking this group to:

Study the development of noise standards and the compatible uses of land near airports.

Consult with local communities and industry.

Recommend legislative or administrative actions needed to move ahead in this area.

ADVANCED OCEAN VESSEL CONCEPTS

After years of U.S. leadership, maritime technology in other countries has caught up with and, in some instances, surpassed our own.

The U.S. merchant marine suffers in world competition because it bears much higher costs than its competitors. This can be offset in some measure by technological improvements.

The Department of Defense recently launched the fast deployment logistics ship program. This concept introduces to the maritime field the same systems approach that has proven so successful in other defense and aerospace programs.

To achieve comparable improvements throughout the maritime industry, I am directing the Secretary of Commerce, with the Secretary of Defense, the President's Scientific Adviser, and the Atomic Energy Commission, to conduct a study of advanced vessel concepts.

The work of this team will include:

Research, development and planning of high speed, large capacity ships, devoted primarily to transporting preloaded containers of varying types between the major ports in the world.

Research on an oceangoing surface effects vessel capable of skimming over the water at speeds more than 100 knots.

Continued exploration of the application of nuclear propulsion to merchant marine ships.

Our private shipyards should continue to serve the needs of the country. They can become more productive and competitive through research and development and through standardization of ship construction. With a new Department of Transportation, we will increase our efforts to bring a modern, efficient merchant marine fleet to this Nation.

ADVANCED LAND TRANSPORT

Last year Congress took a long step toward advanced land transportation by enacting the high-speed ground transportation research and development program. This program will be continued at the most rapid pace consistent with sound management of the research effort.

Similar vision and imagination can be applied to highway transport.

Segments of the interstate highway network already in operation are the most efficient, productive roads ever built anywhere in the world. Motor vehicles move at higher rates of speed, more safely and in greater number per lane than on conventional roads. Transportation costs are reduced, and less land area is needed for this volume of traffic.

With the network about half completed after 10 years, it is apparent that interstate highways, as well as other roads and streets can become even more productive and safe.

Accordingly, I am directing the Secretary of Commerce to:

Investigate means for providing guid-

ance and control mechanisms to increase the capacity and improve the safety of our highway network.

Conduct research into the means of improving traffic flow—particularly in our cities—so we can make better use of our existing roads and streets.

Investigate the potential of separate roadways for various classes of vehicles, with emphasis on improving mass transportation service.

SYSTEMS RESEARCH

Some of our brightest opportunities in research and development lie in the less obvious and often neglected parts of our transportation system.

We spend billions for constructing new highways, but comparatively little for traffic control devices.

We spend millions for fast jet aircraft—but little on the traveler's problem of getting to and from the airport.

We have mounted a sizable Government-industry program to expand exports, yet we allow a mountain of red-tape paperwork negate our efforts. Worldwide, a total of 810 forms are required to cover all types of cargo imported and exported. In this country alone, as many as 43 separate forms are used in one export shipment. Eighty separate forms may be needed to process some imports. This is paperwork run wild.

I am directing the Secretaries of Treasury and Commerce and the Attorney General to attack these problems, through the use of effective systems research programs. And I have directed them to eliminate immediately every unnecessary elements of redtape that inhibits our import and export programs.

TRANSPORTATION FOR AMERICA

The Founding Fathers rode by stage to Philadelphia to take part in the Constitutional Convention. They could not have anticipated the immense complexity—or the problems—of transportation in our day.

Yet they, too, recognized the vital national interest in commerce between the States. The early Congresses expressed that interest even more directly, by supporting the development of road and waterway systems.

Most important, the Founding Fathers gave us a flexible system of government. Cities, States, and the Federal Government can join together—and in many cases work with private enterprise—in partnerships of creative federalism to solve our most complex problems.

For the very size of our transportation requirements—rising step by step with the growth of our population and industry—demands that we respond with new institutions, new programs of research, new efforts to make our vehicles safe, as well as swift.

Modern transportation can be the rapid conduit of economic growth—or a bottleneck.

It can bring jobs and loved ones and recreation closer to every family—or it can bring instead sudden and purposeless death.

It can improve every man's standard of living—or multiply the cost of all he buys.

It can be a convenience, a pleasure, the passport to new horizons of the mind and spirit—or it can frustrate and impede and delay.

The choice is ours to make.

We build the cars, the trains, the planes, the ships, the roads, and the airports. We can, if we will, plan their safe and efficient use in the decades ahead to improve the quality of life for all Americans.

The program I have outlined in this message is the first step toward that goal.

I urge its prompt enactment by the Congress.

LYNDON B. JOHNSON.

THE WHITE HOUSE, March 2, 1966.

Mr. MAGNUSON. Mr. President, the administration's bill will be introduced later to supplement the message.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. LONG of Louisiana, from the Committee on Finance, with amendments:

H.R. 12752. An act to provide for graduated withholding of income tax from wages, to require declarations of estimated tax with respect of self-employment income, to accelerate current payments of estimated income tax by corporations, to postpone certain excise tax rate reductions, and for other purposes (Rept. No. 1010).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 1213. A bill for the relief of Richard K. Jones (Rept. No. 1024);

S. 2265. A bill for the relief of Konstadyna Byni Delirogiou and her minor child, Alexandros Delirogiou (Rept. No. 1025);

S. 2307. A bill for the relief of certain civilian employees and former civilian employees of the Bureau of Reclamation at the Columbia Basin project, Washington (Rept. No. 1026);

S. 2696. A bill for the relief of Abraham Ezekiel Cohen (Rept. No. 1027);

H.R. 1484. An act for the relief of Mrs. Loneta Hackney (Rept. No. 1028);

H.R. 1918. An act for the relief of Eligio Ciardelio (Rept. No. 1029);

H.R. 2627. An act for the relief of certain classes of civilian employees of naval installations erroneously in receipt of certain wages due to misinterpretation of certain personnel instructions (Rept. No. 1030);

H.R. 3236. An act for the relief of Louis Shchuchinski (Rept. No. 1031);

H.R. 4928. An act for the relief of Chizuyo Hoshizaki (Rept. No. 1032);

H.R. 4995. An act for the relief of Muhammad Sarwar (Rept. No. 1033);

H.R. 5231. An act for the relief of Jack Ralph Walker (Rept. No. 1034); and

H.R. 6112. An act for the relief of David Glenn Barker (Jai Yui Sung) and Richard Paul Barker (Phil Su Park) (Rept. No. 1042).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 146. A bill for the relief of Delma S. Pozas (Rept. No. 1035);

S. 926. A bill for the relief of Laura Hui-Wei Wong and her children, Janet Wong and Simon Wong (Rept. No. 1036);

H.R. 2752. An act for the relief of Kock Kong Fong (Rept. No. 1037);

H.R. 2938. An act for the relief of Przemyslaw Nowakowski (Rept. No. 1038);

H.R. 2939. An act for the relief of Manojlo Verzich (Rept. No. 1039);

H.R. 3875. An act for the relief of Mrs. Panagiota Vastakis and Soteris Vastakis (Rept. No. 1040);

H.R. 4743. An act for the relief of Ralph Tigno Edquid (Rept. No. 1041); and

H.R. 9442. An act for the relief of Ki Sook Jun (Rept. No. 1043).

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

S. 1375. A bill conferring jurisdiction on the Court of Claims to make findings with respect to the amount of compensation to which certain individuals are entitled as reimbursement for damages sustained by them as a result of the cancellation of their grazing permits by the U.S. Air Force, and to provide for payments of amounts so determined to such individuals (Rept. No. 1045); and

H.R. 10403. An act for the relief of Edward F. Murzyn and Edward J. O'Brien (Rept. No. 1044).

By Mr. DIRKSEN, from the Committee on the Judiciary, without amendment:

S.J. Res. 18. Joint resolution to provide for the designation of the fourth week in April of each year as "Youth Temperance Education Week" (Rept. No. 1011); and

S.J. Res. 133. Joint resolution designating February of each year as American History Month (Rept. No. 1012).

By Mr. DIRKSEN, from the Committee on the Judiciary, without amendment, without recommendation:

S.J. Res. 103. Joint resolution proposing an amendment to the Constitution of the United States to preserve to the people of each State power to determine the composition of its legislature and the apportionment of the membership thereof in accordance with law and the provisions of the Constitution of the United States (Rept. No. 1047).

By Mr. TYDINGS, from the Committee on the Judiciary, without amendment:

S. 1923. A bill to amend chapter XI of the Bankruptcy Act to give the court supervisory power over all fees paid from whatever source (Rept. No. 1013).

By Mr. BURDICK, from the Committee on the Judiciary, without amendment:

S. 153. A bill for the relief of Matsusuke Tengan (Rept. No. 1015);

S. 1960. A bill for the relief of Capt. Rey D. Baldwin (Rept. No. 1016);

H.R. 3076. An act for the relief of the estate of Bart Briscoe Edgar, deceased (Rept. No. 1017);

H.R. 5530. An act for the relief of the estate of Robert A. Ethridge (Rept. No. 1018);

H.R. 5973. An act for the relief of Edwin F. Hower (Rept. No. 1019);

H.R. 7667. An act for the relief of Donald F. Farrell (Rept. No. 1020); and

H.R. 10338. An act for the relief of Joseph B. Stevens (Rept. No. 1021).

By Mr. BURDICK, from the Committee on the Judiciary, with an amendment:

S. 1661. A bill for the relief of Samuel C. Neiburg (Rept. No. 1022).

By Mr. ERVIN, from the Committee on the Judiciary, with amendments:

S. 2177. A bill for the relief of Donald I. Abbott (Rept. No. 1014).

By Mr. BURDICK, from the Committee on the Judiciary, with amendments:

S. 2356. A bill for the relief of Raymond J. Grachek (Rept. No. 1023).

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, without amendment:

S. 2153. A bill to authorize the Secretary of the Interior to use appropriated funds for the payment of medical care of temporary and seasonal employees and employees located in isolated areas who become disabled because of injury or illness not attributable to official work, and for other purposes (Rept. No. 1046).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,
The following favorable reports of nominations were submitted:

By Mr. ROBERTSON, from the Committee on Banking and Currency:

Andrew F. Brimmer, of Pennsylvania, to be a member of the Board of Governors of the Federal Reserve System.

By Mr. TOWER, from the Committee on Banking and Currency:

William W. Sherrill, of Texas, to be a member of the Board of Directors of the Federal Deposit Insurance Corporation.

By Mr. McCLELLAN, from the Committee on Government Operations:

Elmer Boyd Staats, of Kansas, to be Comptroller General of the United States.

By Mr. EASTLAND, from the Committee on the Judiciary:

Theodore Jaffe, of Rhode Island, to be a member of the Foreign Claims Settlement Commission;

Archie Craft, of Kentucky, to be U.S. marshal for the eastern district of Kentucky;

William K. Thomas, of Ohio, to be U.S. district judge for the northern district of Ohio; and

Gilbert S. Merritt, Jr., of Tennessee, to be U.S. attorney for the middle district of Tennessee.

By Mr. SCOTT, from the Committee on the Judiciary:

Anthony J. Furka, of Pennsylvania, to be U.S. marshal for the western district of Pennsylvania.

By Mr. JAVITS, from the Committee on the Judiciary:

Wilfred Feinberg, of New York, to be U.S. circuit judge, second circuit; and

James L. Watson, of New York, to be judge of the U.S. Customs Court.

By Mr. DIRKSEN, from the Committee on the Judiciary:

William J. Lynch, of Illinois, to be U.S. district judge for the northern district of Illinois; and

James J. Moos, of Illinois, to be U.S. marshal for the southern district of Illinois.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McGOVERN:

S. 3001. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the first stage of the Oahe unit, James division, Missouri River Basin project, South Dakota, and for other purposes; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. McGOVERN when he introduced the above bill, which appear under a separate heading.)

By Mr. MUNDT:

S. 3002. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the first stage of the Oahe unit, James division, Missouri River Basin project, South Dakota, and for other purposes; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. MUNDT when he introduced the above bill, which appear under a separate heading.)

By Mr. SCOTT:

S. 3003. A bill for the relief of Sai Ok Oh; to the Committee on the Judiciary.

By Mr. JAVITS:

S. 3004. A bill to require certain buildings to be equipped with emergency lighting systems; to the Committee on Commerce.

(See the remarks of Mr. JAVITS when he introduced the above bill, which appear under a separate heading.)

By Mr. MAGNUSON:

S. 3005. A bill to provide for a coordinated national safety program and establishment of safety standards for motor vehicles in interstate commerce to reduce traffic accidents and the deaths, injuries, and property damage which occur in such accidents; to the Committee on Commerce.

(See the remarks of Mr. MAGNUSON when he introduced the above bill, which appear under a separate heading.)

By Mr. DOMINICK:

S. 3006. A bill to amend the Labor-Management Reporting and Disclosure Act of 1959, so as to prohibit the use for political purposes of certain funds collected by labor organizations from their members, and for other purposes; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. DOMINICK when he introduced the above bill, which appear under a separate heading.)

By Mr. YARBOROUGH:

S. 3007. A bill to provide for the establishment of the Chamizal National Memorial, and for other purposes; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. YARBOROUGH when he introduced the above bill, which appear under a separate heading.)

By Mr. HILL:

S. 3008. A bill to amend the Public Health Service Act, to promote and assist in the extension and improvement of comprehensive health planning and public health services, to provide for a more effective use of available Federal funds for such planning and services, and for other purposes; and

S. 3009. A bill to amend the Public Health Service Act, to further promote and assist in modernization of hospitals and other medical facilities through grants for amortization of indebtedness incurred for that purpose, direct loans, and guarantees of loans, and through grants for the planning of such modernization, and to authorize grants for development of new technology systems and concepts in the provision of health services; to the Committee on Labor and Public Welfare.

By Mr. MAGNUSON (by request):

S. 3010. A bill to establish a Department of Transportation, and for other purposes; to the Committee on Government Operations.

(See the remarks of Mr. MAGNUSON when he introduced the above bill, which appear under a separate heading.)

By Mr. JACKSON:

S. 3011. A bill to require that certain offices in the Department of the Interior and the Department of Agriculture be filled by appointment by the President by and with the advice and consent of the Senate; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. JACKSON when he introduced the above bill, which appear under a separate heading.)

By Mr. HARTKE (for himself, Mr. RANDOLPH, Mr. BAYH, Mrs. NEUBERGER, Mr. McGEE, Mr. YARBOROUGH, Mr. MOSS, Mr. METCALF, Mr. INOUE, Mr. FONG, and Mr. MONTGOMERY):

S. 3012. A bill to provide grants to the States for the strengthening of adult educational programs; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. HARTKE when he introduced the above bill, which appear under a separate heading.)

RESOLUTION

DISTRIBUTION AMONG THE STATES OF RESEARCH AND DEVELOPMENT FUNDS

Mr. CURTIS (for himself, Mr. HRUSKA, Mr. MUNDT, Mr. DOMINICK, and Mr.

THURMOND), submitted a resolution (S. Res. 231) relating to the distribution among the States of research and development funds made available by Government agencies, which was referred to the Committee on Government Operations.

(See the remarks of Mr. CURTIS when he submitted the above resolution, which appear under a separate heading.)

THE OAHE IRRIGATION ACT OF 1966

Mr. MCGOVERN. Mr. President, I introduce for appropriate reference a bill to authorize construction of the initial stage of the Oahe unit, an irrigation project in South Dakota and a part of the overall Missouri River Basin project. My colleague [Mr. MUNDT] will introduce a similar bill.

In its entirety the Oahe unit comprises 495,000 acres of farmland in the north-central portion of South Dakota. This bill provides for development of its first stage—190,000 acres in the Lake Plain area of the James River Basin of Brown and Spink Counties. Under its provisions, Missouri River waters would be brought to South Dakota farmlands for the first time. The hopes and dreams of those who long visualized the vast local and national benefits which would accrue from greater utilization of this precious water resource would finally be realized.

South Dakota became the 40th State of this great Nation on November 2, 1889. Even prior to statehood, however, pioneer settlers in the James River Basin had developed artesian wells to irrigate lands in the area known as the Lake Plains. The wells seemed inexhaustible. Unfortunately, salts were heavily concentrated in the ground water. This seriously affected the productivity of the soil after only a few years. Irrigation from wells quickly ceased. The meager and erratic flows of the James River were not adequate to sustain irrigation activities.

Irrigation-minded farmers began turning hopeful eyes toward the Missouri River, nearly 100 miles to the west, as the only possible source of plentiful water supply. But it took only preliminary study to discover that at that time, the huge pump lifts required to lift Missouri River waters over the divide to the James River Basin would seriously affect the feasibility of such a plan.

In the late 1930's, the Bureau of Reclamation entered the Missouri River Basin to conduct comprehensive investigations. These were designed to establish a plan for harnessing the water and land resources in seven States of the basin. Concurrently, the Corps of Engineers studied potential measures to effect essential flood control and improve navigation. Findings of the Bureau of Reclamation were presented to the Congress in 1944 and are contained in Senate Document No. 191 of the 78th Congress. Plans of the Corps of Engineers are contained in House Document No. 475 of the same Congress. The plans of the two agencies were merged in the Missouri River Basin project and au-

thorized for construction in the Flood Control Act of 1944. The Oahe project was thus authorized over 20 years ago.

The Oahe unit plan of development envisioned diversion of water from Oahe Reservoir on the Missouri River to irrigate some 750,000 acres in the James River Basin. More detailed studies over the years have reduced the area capable of sustained irrigated productivity to 495,000 acres, of which 445,000 acres are in the Lake Plain area and 50,000 acres in the Missouri slopes nearer to Oahe Reservoir.

The initial stage has been carefully formulated as the beginning of a development that can eventually lead to the irrigation of the full 495,000 acres without duplication or redundancy of facilities to be constructed. There is vigorous local support for this undertaking. Over a year ago two irrigation districts were formed, which along with the already established Oahe Conservancy Subdistrict, are prepared to accept the responsibility for repayment of reimbursable project costs. Formation of both districts was overwhelmingly supported by an 85 percent favorable vote.

Among the units authorized for construction in the Flood Control Act of 1944 were Gavins Point, Fort Randall, Big Bend, and Oahe Reservoirs, all in South Dakota, to be built by the Corps of Engineers. Today these dams are in place, and they have changed the entire 547 mile length of the Missouri River in our State into a series of reservoirs.

Thus far we have given up a total of 509,000 acres of prime bottomland to inundation under the four main-stem reservoirs. We have given up more land to lakebed than will ultimately be irrigated when the entire 495,000 project envisioned now is completed. It is estimated that the loss of these lands to productive use represents a loss of potential income or business volume of more than \$20 million annually.

The people of South Dakota were willing to make this permanent sacrifice for two central reasons. First, they believed that the multipurpose development of the Missouri Basin was in the national interest. These main-stem facilities have assured the navigability of the lower Missouri River. They permit the generation of billions of kilowatt-hours of electric power. They have averted millions of dollars in flood damage in downstream States. These benefits have been realized primarily by people outside of South Dakota but we have not taken a parochial view. We have heartily endorsed them because they are of great value to the Nation as a whole.

Second, my State was willing to make the sacrifice of lands and potential income because we had the assurance of the Congress that the loss would ultimately be repaid with the economic thrust of a half-million-acre irrigation project. We believed that our claim to Missouri River water would be recognized, and we have long looked forward to new irrigation replacing and justifying the loss of bottomlands.

We are pleased that 90 percent of the facilities for navigation, flood control, and hydroelectric power generation of

PL 7 55051

A. H. C.

89TH CONGRESS
2D SESSION

H. R. 15963

IN THE HOUSE OF REPRESENTATIVES

JUNE 27, 1966

Mr. HOLIFIELD introduced the following bill; which was referred to the Committee on Government Operations

A BILL

To establish a Department of Transportation, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Department of Trans-
4 portation Act".

DECLARATION OF PURPOSE

5
6 SEC. 2. The Congress hereby declares that the general
7 welfare, the economic growth and stability of the Nation
8 and its security require the development and implementation
9 of national transportation policies and programs conducive
10 to the provision of fast, safe, efficient, and convenient trans-
11 portation at the lowest cost consistent therewith and with

1 other national objectives, including the efficient utilization
2 and conservation of the Nation's resources.

3 The Congress therefore finds that the establishment of
4 a Department of Transportation is necessary in the public
5 interest and to assure the coordinated, effective administra-
6 tion of the transportation programs of the Federal Govern-
7 ment; to facilitate the development and improvement of
8 coordinated transportation service, to be provided by private
9 enterprise to the maximum extent feasible; to encourage co-
10 operation of Federal, State, and local governments, carriers,
11 labor, and other interested parties toward the achievement
12 of national transportation objectives; to stimulate technologi-
13 cal advances in transportation; to provide general leadership
14 in the identification and solution of transportation problems;
15 and to develop and recommend national transportation
16 policies and programs to accomplish these objectives with
17 full and appropriate consideration of the needs of the pub-
18 lic, users, carriers, industry, labor, and the national defense.

19 ESTABLISHMENT OF DEPARTMENT

20 SEC. 3. (a) There is hereby established at the seat of
21 government an executive department to be known as the
22 Department of Transportation (hereafter referred to in this
23 Act as the "Department"). There shall be at the head of
24 the Department a Secretary of Transportation (hereafter
25 referred to in this Act as the "Secretary"), who shall be

1 appointed by the President, by and with the advice and con-
2 sent of the Senate.

3 (b) There shall be in the Department an Under Secre-
4 tary, who shall be appointed by the President, by and with
5 the advice and consent of the Senate. The Under Secretary
6 (or, during the absence or disability of the Under Secretary,
7 or in the event of a vacancy in the office of Under Secretary,
8 an Assistant Secretary or the General Counsel, determined
9 according to such order as the Secretary shall prescribe)
10 shall act for, and exercise the powers of the Secretary, dur-
11 ing the absence or disability of the Secretary or in the event
12 of a vacancy in the office of Secretary. The Under Secretary
13 shall perform such functions, powers, and duties as the Secre-
14 tary shall prescribe from time to time.

15 (c) There shall be in the Department four Assistant
16 Secretaries and a General Counsel, who shall be appointed
17 by the President, by and with the advice and consent of the
18 Senate, and who shall perform such functions, powers, and
19 duties as the Secretary shall prescribe from time to time.

20 (d) There shall be in the Department an Assistant Sec-
21 retary for Administration, who shall be appointed, with the
22 approval of the President, by the Secretary under the classi-
23 fied civil service who shall perform such functions, powers,
24 and duties as the Secretary shall prescribe from time to time.

25 (e) The Secretary shall establish within the Department

1 (1) a Federal Highway Administration, (2) a Federal
2 Railroad Administration, (3) a Federal Maritime Admin-
3 istration, and (4) a Federal Aviation Administration. Each
4 of these components shall be headed by an Administrator who
5 shall be appointed by the President, by and with the advice
6 and consent of the Senate, and who shall report directly to
7 the Secretary and shall have such duties and powers as he
8 may prescribe.

9 (f) The Secretary shall establish within the Depart-
10 ment an Office of Accident Investigation, which shall be in-
11 dependent of the Federal Aviation Administration. The
12 office shall, among its duties, investigate aviation accidents
13 in accordance with rules and regulations prescribed by the
14 Secretary.

15 GENERAL PROVISIONS

16 SEC. 4. (a) The Secretary in carrying out the pur-
17 poses of this Act shall, among his responsibilities, exercise
18 leadership under the direction of the President in transpor-
19 tation matters, including those affecting the national defense
20 and those involving national or regional emergencies; de-
21 velop national transportation policies and programs, and
22 make recommendations to the President and Congress for
23 their implementation; promote and undertake development,
24 collection, and dissemination of technological, statistical,
25 economic, and other information relevant to domestic and

1 international transportation; promote and undertake research
2 and development relating to transportation, including noise
3 abatement, with particular attention to aircraft noise; and
4 consult with the heads of other Federal departments and
5 agencies on the transportation requirements of the Gov-
6 ernment.

7 (b) In exercising the functions, powers, and duties
8 conferred on and transferred to the Secretary by this Act,
9 the Secretary shall give full consideration to the need for
10 operational continuity of the functions transferred, to the
11 need for effectiveness and safety in transportation systems,
12 and to the needs of the national defense.

13 (c) Orders and actions of the Secretary or the Na-
14 tional Transportation Safety Board (established by section 5
15 of this Act) in the exercise of functions, powers, and duties
16 transferred under this Act shall be subject to judicial review
17 to the same extent and in the same manner as if such orders
18 and actions had been by the department or agency exercising
19 such functions, powers, and duties immediately preceding
20 their transfer. Any statutory requirements relating to
21 notice, hearings, action upon the record, or administrative
22 review that apply to any function transferred by this Act
23 shall apply to the exercise of such functions by the Secretary
24 or the National Transportation Safety Board.

25 (d) In the exercise of the functions, powers, and duties

1 transferred under this Act, the Secretary shall have the same
2 authority as that vested in the department or agency exercis-
3 ing such functions, powers, and duties immediately preced-
4 ing their transfer, and his actions in exercising such func-
5 tions, powers, and duties shall have the same force and effect
6 as when exercised by such department or agency.

7 (e) Nothing in this Act shall be construed to authorize,
8 without appropriate action by Congress, the adoption or
9 revision of a national transportation policy. Nor shall the
10 Secretary promulgate investment standards or criteria pur-
11 suant to section 7 of this Act which are contrary to or in-
12 consistent with Acts of Congress relating to standards or
13 criteria for transportation investments.

14 NATIONAL TRANSPORTATION SAFETY BOARD

15 SEC. 5. (a) There is hereby established within the De-
16 partment a National Transportation Safety Board (referred
17 to hereafter in this Act as "Board").

18 (b) There are hereby transferred to, and it shall be
19 the duty of the Board to exercise, the functions, powers, and
20 duties transferred to the Secretary by sections 6 and 8 of this
21 Act with regard to—

- 22 (1) determining the cause or probable cause of
23 transportation accidents and reporting the facts, condi-
24 tions, and circumstances relating to such accidents; and
25 (2) the review on appeal of the suspension, amend-

1 ment, modification, revocation, or denial of any certifi-
2 cate or license issued by the Secretary.

3 (c) The Board is further authorized to—

4 (1) make such recommendations to the Secretary
5 as, in its opinion, will tend to prevent transportation
6 accidents;

7 (2) conduct special studies on matters pertaining
8 to safety in transportation and the prevention of
9 accidents;

10 (3) insure that in cases in which it is required to
11 determine cause or probable cause, reports of investiga-
12 tion adequately state the circumstances of the accident
13 involved. Where additional information is needed, the
14 Board may require the Secretary to conduct further
15 investigations or to take such other measures as are
16 required in the opinion of the Board to insure develop-
17 ment of all facts and circumstances surrounding the
18 accident;

19 (4) make recommendations to the Secretary con-
20 cerning policies, programs, and procedures for transpor-
21 tation safety, and rules, regulations, and procedures for
22 the conduct of accident investigations;

23 (5) require the Secretary to initiate specific accident
24 investigations as the Board determines to be necessary or
25 appropriate;

1 (6) arrange for the personal participation of mem-
2 bers or other personnel of the Board in accident investi-
3 gations conducted by the Department in such cases as it
4 deems appropriate; and

5 (7) require from the Secretary notification of trans-
6 portation accidents and reports of such accidents as the
7 Board deems necessary.

8 (d) In the exercise of any of its functions, powers, and
9 duties, the Board shall be independent of the Secretary and
10 the other offices and officers of the Department, and shall
11 give full consideration to the requirements imposed on the
12 Secretary by section 4 (b) of this Act.

13 (e) The Board shall report to the Congress two years
14 after the effective date of this Act on the conduct of its func-
15 tions under this Act and the effectiveness of accident investi-
16 gations in the Department, together with such recommenda-
17 tions for legislation as it may deem appropriate. An interim
18 report shall be submitted to the Congress one year after the
19 effective date of this Act.

20 (f) The Board shall consist of five members to be ap-
21 pointed by the President, by and with the advice and consent
22 of the Senate. Members of the Board shall be appointed
23 with due regard to their fitness for the efficient dispatch of
24 the functions, powers, and duties vested in and imposed

1 upon the Board, and may be removed by the President for
2 inefficiency, neglect of duty, or malfeasance in office.

3 (g) Members of the Board shall be appointed for terms
4 of five years, except that (1) any member appointed to fill a
5 vacancy occurring prior to the expiration of the term for
6 which his predecessor was appointed shall be appointed only
7 for the remainder of such term, and (2) the five members
8 first appointed shall serve for terms (designated by the Pres-
9 ident at the time of appointment) ending on the last day of
10 the first, second, third, fourth, and fifth calendar years be-
11 ginning after the year of enactment of this Act. Upon the
12 expiration of his term of office a member shall continue to
13 serve until his successor is appointed and shall have qualified.

14 (h) The President shall designate from time to time
15 one of the members of the Board as Chairman and one of
16 the members as Vice Chairman, who shall act as Chairman
17 in the absence or incapacity of the Chairman, or in the event
18 of a vacancy in the office of the Chairman. The Chairman
19 shall be the chief executive and administrative officer of the
20 Board and shall exercise the responsibility of the Board with
21 respect to (1) the appointment and supervision of personnel
22 employed by the Board; (2) the distribution of business
23 among the Board's personnel; and (3) the use and expendi-

1 ture of funds. In executing and administering the functions
2 of the Board on its behalf, the Chairman shall be governed
3 by the general policies of the Board and by its decisions,
4 findings, and determinations. Three of the members shall
5 constitute a quorum of the Board.

6 (i) The Chairman of the Board shall be compensated
7 at the rate provided for level IV of the Federal Executive
8 Salary Schedule. Members of the Board shall be compen-
9 sated at the rate provided for level V of such Schedule.

10 (j) The Board is authorized to establish such rules,
11 regulations, and procedures as are necessary to the exercise
12 of its functions.

13 (k) In carrying out its functions, the Board (or, upon
14 the authorization of the Board, any member thereof or
15 any hearing examiner assigned to or employed by the Board)
16 shall have the same powers as are vested in the Secretary to
17 hold hearings, sign and issue subpoenas, administer oaths,
18 examine witnesses, and receive evidence at any place in the
19 United States it may designate.

20 (l) Subject to the proviso in section 701 (g) of the
21 Federal Aviation Act of 1958 (72 Stat. 731; 49 U.S.C.
22 1441 (g)), the Board may delegate to any officer or official
23 of the Board or, with the approval of the Secretary, to any
24 officer or official of the Department such of its functions as
25 it may deem appropriate.

1 (m) Subject to the civil service and classification laws,
2 the Board is authorized to select, appoint, employ, and fix
3 compensation of such officers and employees, including at-
4 torneys and hearing examiners, as shall be necessary to carry
5 out its powers and duties under this Act.

6 (n) The Board is authorized, on a reimbursable basis
7 when appropriate, to use the available services, equipment,
8 personnel, and facilities of the Department and of other
9 civilian or military agencies and instrumentalities of the
10 Federal Government, and to cooperate with the Department
11 and such other agencies and instrumentalities in the estab-
12 lishment and use of services, equipment, and facilities of the
13 Board. The Board is further authorized to confer with and
14 avail itself of the cooperation, services, records, and facilities
15 of State, territorial, municipal, or other local agencies.

16 TRANSFERS TO DEPARTMENT

17 SEC. 6. (a) There are hereby transferred to and vested
18 in the Secretary all functions, powers, and duties of the
19 Secretary of Commerce and other offices and officers of the
20 Department of Commerce under—

21 (1) the following laws and provisions of law re-
22 lating generally to highways:

23 (A) Title 23, United States Code.

24 (B) The Federal-Aid Highway Act of 1962

25 (76 Stat. 1145, 23 U.S.C. 307 note).

1 (C) The Act of July 14, 1960 (74 Stat. 526,
2 23 U.S.C. 313 note).

3 (D) The Federal-Aid Highway Act of 1954
4 (68 Stat. 70).

5 (E) The Act of September 26, 1961 (75 Stat.
6 670).

7 (F) The Highway Revenue Act of 1956 (70
8 Stat. 387, 23 U.S.C. 120 note).

9 (G) The Highway Beautification Act of 1965
10 (79 Stat. 1028, 23 U.S.C. 131 et seq. notes).

11 (H) The Alaska Omnibus Act (73 Stat. 141,
12 48 U.S.C. 21 note prec.).

13 (I) The Joint Resolution of August 28, 1965
14 (79 Stat. 578, 23 U.S.C. 101 et seq. notes).

15 (J) Section 525 (c) of the General Bridge Act
16 of 1946 (60 Stat. 847, 33 U.S.C. 525 (c)).

17 (K) The Act of April 27, 1962 (76 Stat. 59).

18 (L) Reorganization Plan No. 7 of 1949 (63
19 Stat. 1070, 5 U.S.C. 133z-15 note).

20 (2) the following laws and provisions of law relat-
21 ing generally to ground transportation:

22 (A) The Act of September 30, 1965 (79 Stat.
23 893, 49 U.S.C. 1631 et seq.).

24 (B) Section 8 of the Urban Mass Transporta-
25 tion Act of 1964 (78 Stat. 306, 49 U.S.C. 1607).

(3) the following laws and provisions of law relating generally to aircraft:

(A) The Act of September 7, 1957 (71 Stat. 629, 49 U.S.C. 1324 note).

(B) Section 410 of the Federal Aviation Act of 1958 (72 Stat. 769, 49 U.S.C. 1380).

(C) Title XIII of the Federal Aviation Act of 1958 (72 Stat. 800, 49 U.S.C. 1531 et seq.).

(4) the following law relating generally to pilotage:
The Great Lakes Pilotage Act of 1960 (74 Stat. 259, 46 U.S.C. 216 et seq.).

(5) the following laws and provisions of law relating generally to the Merchant Marine:

(A) The Merchant Marine Act, 1920 (41 Stat. 988, 46 U.S.C. 861 et seq.).

(B) The Merchant Marine Act, 1928 (45 Stat. 689, 46 U.S.C. 891 et seq.).

(C) The Merchant Marine Act, 1936 (49 Stat. 1985, 46 U.S.C. 1101 et seq.).

(D) The Shipping Act, 1916 (39 Stat. 728, 46 U.S.C. 801 et seq.).

(E) The Merchant Ship Sales Act of 1946 (60 Stat. 41, 50 U.S.C. App. 1735 et seq.).

(F) The Maritime Academy Act of 1958 (72 Stat. 622, 46 U.S.C. 1381 et seq.).

1 (G) The Act of June 12, 1940 (54 Stat. 346,
2 46 U.S.C. 1331 et seq.).

3 (H) The United States Fishing Fleet Im-
4 provement Act (74 Stat. 212, 46 U.S.C. 1401 et
5 seq.).

6 (I) The Act of September 14, 1961 (75 Stat.
7 514, 46 U.S.C. 1126b-1).

8 (J) The Act of June 13, 1957 (71 Stat. 73,
9 46 U.S.C. 1177a), to the extent it relates to
10 operating-differential subsidies.

11 (K) The Act of June 2, 1951 (65 Stat. 59,
12 46 U.S.C. 1241a), to the extent it relates to the
13 vessel operations revolving fund.

14 (L) The Act of July 24, 1956 (70 Stat. 605,
15 46 U.S.C. 249 et seq.).

16 (M) The Act of August 9, 1954 (68 Stat. 675,
17 50 U.S.C. 196 et seq.).

18 (N) Section 500 of the Transportation Act,
19 1920 (41 Stat. 499, 49 U.S.C. 142).

20 (O) Reorganization Plan No. 21 of 1950 (64
21 Stat. 1273, 46 U.S.C. 1111 note).

22 (P) Reorganization Plan No. 7 of 1961 (75
23 Stat. 840, 46 U.S.C. 1111 note).

24 (Q) Reorganization Plan No. 6 of 1949 (63
25 Stat. 1069, 46 U.S.C. 111 note).

1 (6) the following law to the extent it authorizes
2 scientific and professional positions which relate pri-
3 marily to functions transferred by this subsection: The
4 Act of August 1, 1947 (61 Stat. 715, 5 U.S.C. 1161).

5 (b) (1) The Coast Guard is hereby transferred to the
6 Department, and there are hereby transferred to and vested
7 in the Secretary all functions, powers, and duties, relating
8 to the Coast Guard, of the Secretary of the Treasury and of
9 other officers and offices of the Department of the Treasury.

10 (2) Notwithstanding the transfer of the Coast Guard
11 to the Department and the transfer to the Secretary of the
12 functions, powers, and duties, relating to the Coast Guard,
13 of the Secretary of the Treasury and of other officers and
14 offices of the Department of the Treasury, effected by the
15 provisions of paragraph (1) of this subsection, the Coast
16 Guard, together with the functions, powers, and duties
17 relating thereto, shall operate as a part of the Navy, subject
18 to the orders of the Secretary of the Navy, in time of war
19 or when the President shall so direct, as provided in section
20 3 of title 14, United States Code.

21 (3) Notwithstanding any other provision of this Act,
22 the functions, powers, and duties of the General Counsel of
23 the Department of the Treasury set out in chapter 47 of
24 title 10, United States Code (Uniform Code of Military

1 Justice) are hereby transferred to and vested in the General
2 Counsel of the Department.

3 (c) (1) There are hereby transferred to and vested in
4 the Secretary all functions, powers, and duties of the Federal
5 Aviation Agency, and of the Administrator and other officers
6 and offices thereof.

7 (2) Nothing in this Act shall affect the power of the
8 President under section 302 (e) of the Federal Aviation Act
9 of 1958 (49 U.S.C. 1343 (c)) to transfer, to the Depart-
10 ment of Defense in the event of war, any functions transferred
11 by this Act from the Federal Aviation Agency to the
12 Secretary.

13 (d) There are hereby transferred to and vested in the
14 Secretary all functions, powers, and duties of the Civil Aero-
15 nautics Board, and of the Chairman, members, officers, and
16 offices thereof under the following provisions of law relating
17 generally to aviation safety: Titles VI and VII of the Fed-
18 eral Aviation Act of 1958 (72 Stat. 776, 49 U.S.C. 1421
19 et seq.).

20 (e) There are hereby transferred to and vested in the
21 Secretary all functions, powers, and duties of the Interstate
22 Commerce Commission, and of the Chairman, members,
23 officers, and offices thereof, under—

(1) the following laws relating generally to safety appliances and equipment on railroad engines and cars, and protection of employees and travelers:

(A) The Act of March 2, 1893 (27 Stat. 531, 45 U.S.C. 1 et seq.).

(B) The Act of March 2, 1903 (32 Stat. 943, 45 U.S.C. 8 et seq.).

(C) The Act of April 14, 1910 (36 Stat. 298, 45 U.S.C. 11 et seq.).

(D) The Act of May 30, 1908 (35 Stat. 476, 45 U.S.C. 17 et seq.).

(E) The Act of February 17, 1911 (36 Stat. 913, 45 U.S.C. 22 et seq.).

(F) The Act of March 4, 1915 (38 Stat. 1192, 45 U.S.C. 30).

(G) Reorganization Plan No. 3 of 1965 (79 Stat. 1320).

(H) Joint Resolution of June 30, 1906 (34 Stat. 838, 45 U.S.C. 35).

(I) The Act of May 27, 1908 (35 Stat. 325, 45 U.S.C. 36 et seq.).

1 (J) The Act of March 4, 1909 (35 Stat. 965,
2 45 U.S.C. 37).

3 (K) The Act of May 6, 1910 (36 Stat. 350,
4 45 U.S.C. 38 et seq.).

5 (2) the following law relating generally to hours of
6 service of employees: The Act of March 4, 1907 (34
7 Stat. 1415, 45 U.S.C. 61 et seq.).

8 (3) the following law relating generally to medals
9 for heroism: The Act of February 23, 1905 (33 Stat.
10 743, 49 U.S.C. 1201 et seq.).

11 (4) the following provisions of law relating gen-
12 erally to explosives and other dangerous articles: Sec-
13 tions 831-835 of title 18, United States Code.

14 (5) the following laws relating generally to stand-
15 ard time zones and daylight saving time:

16 (A) The Act of March 19, 1918 (40 Stat.
17 450, 15 U.S.C. 261 et seq.).

18 (B) The Act of March 4, 1921 (41 Stat.
19 1446, 15 U.S.C. 265).

20 (C) The Uniform Time Act of 1966 (80
21 Stat. 107).

22 (6) the following provisions of the Interstate Com-
23 merce Act—

24 (A) relating generally to car service: Sections
25 1 (10), 1 (11), 1 (12), 1 (13), 1 (14) (a) (but not

1 including establishment of the compensation to be
2 paid for the use of any locomotive, car, or other
3 vehicle (not owned by the carrier using it), 1 (15),
4 1 (16), 1 (17), 6 (8), the final sentence of 15 (4),
5 15 (10), and 420 (49 U.S.C. 1 et seq. and 1020).

6 (B) relating generally to safety appliances
7 methods and systems: Section 25 (49 U.S.C. 26).

8 (C) relating generally to investigation of motor
9 vehicle sizes, weights and service of employees: Sec-
10 tion 226 (49 U.S.C. 325).

11 (D) relating generally to facilities for car
12 service: Section 1 (21), except to the extent that it
13 relates to extension of lines of common carriers (49
14 U.S.C. 1 (21)).

15 (E) relating generally to qualifications and
16 maximum hours of service of employees and safety
17 of operation and equipment: Sections 204(a) (1)
18 and (2), to the extent that they relate to qualifica-
19 tions and maximum hours of service of employees
20 and safety of operation and equipment; and sections
21 204(a) (3), (3a), and (5) (49 U.S.C. 304).

22 (F) to the extent they relate to private carriers
23 of property by motor vehicle and carriers of migrant
24 workers by motor vehicle other than contract car-

1 riers: Sections 221 (a), 221 (c), and 224 (49
2 U.S.C. 321 et seq.).

3 (f) (1) Nothing in subsection (e) shall diminish the
4 functions, powers, and duties of the Interstate Commerce
5 Commission under sections 1 (6), 206, 207, 209, 210a, 212,
6 and 216 of the Interstate Commerce Act (49 U.S.C. 1 (6),
7 306 et seq.) or under any other section of that Act not
8 specifically referred to in the first paragraph of this
9 subsection.

10 (2) (A) With respect to any function which is trans-
11 ferred to the Secretary by subsection (e) and which was
12 vested in the Interstate Commerce Commission preceding
13 such transfer, the Secretary shall have the same adminis-
14 trative powers under the Interstate Commerce Act as the
15 Commission had before such transfer with respect to such
16 transferred function. After such transfer, the Commission
17 may exercise its administrative powers under the Interstate
18 Commerce Act only with respect to those of its functions
19 not transferred by subsection (e).

20 (B) For purposes of this paragraph—

21 (i) the term “function” includes power and duty,
22 and

23 (ii) the term “administrative powers under the
24 Interstate Commerce Act” means any functions under

the following provisions of the Interstate Commerce Act:

Sections 12, 13 (1), 13 (2), 14, 16 (12), the last sentence of 18 (1), sections 20 (except clauses (3), (4), (11), and (12) thereof), 204 (a) (6) and (7), 204 (c), 204 (d), 205 (d), 205 (f), 220 (except subsection (c) and the proviso of subsection (a) thereof), 222 (except subsections (b) (2) and (b) (3) thereof), and 417 (b) (1) (49 U.S.C. 12 et seq., 304 et seq., and 1017).

(g) There are hereby transferred to and vested in the Secretary all functions, powers, and duties of the Secretary of the Army and other officers and offices of the Department of the Army under—

(1) the following law and provisions of law relating generally to water vessel anchorages:

(A) Section 7 of the Act of March 4, 1915 (38 Stat. 1053; 33 U.S.C. 471).

(B) Article 11 of section 1 of the Act of June 7, 1897 (30 Stat. 98; 33 U.S.C. 180).

(C) Rule 9 of section 1 of the Act of February 8, 1895 (28 Stat. 647; 33 U.S.C. 258).

(D) Rule numbered 13 of section 4233 of the Revised Statutes (33 U.S.C. 322).

1 (2) the following provision of law relating gen-
2 erally to drawbridge operating regulations: Section 5
3 of the Act of August 18, 1894 (28 Stat. 362; 33 U.S.C.
4 499) .

5 (3) the following law relating generally to obstruc-
6 tive bridges: The Act of June 21, 1940 (54 Stat. 497;
7 33 U.S.C. 511 et seq.) .

8 (4) the following laws and provisions of law relat-
9 ing generally to the reasonableness of tolls:

10 (A) Section 4 of the Act of March 23, 1906
11 (34 Stat. 85; 33 U.S.C. 494) .

12 (B) Section 503 of the General Bridge Act of
13 1946 (60 Stat. 847; 33 U.S.C. 526) .

14 (C) Section 17 of the Act of June 10, 1930
15 (46 Stat. 552; 33 U.S.C. 498a) .

16 (D) The Act of June 27, 1930 (46 Stat. 821;
17 33 U.S.C. 498b) .

18 (E) The Act of August 21, 1935 (49 Stat.
19 670; 33 U.S.C. 503 et seq.) .

20 (5) the following law relating to prevention of pol-
21 lution of the sea by oil: The Oil Pollution Act, 1961
22 (75 Stat. 402; 33 U.S.C. 1001 et seq.) .

23 (6) the following laws and provision of law to the
24 extent that they relate generally to the location and clear-

ances of bridges and causeways in the navigable waters
of the United States:

(A) Section 9 of the Act of March 3, 1899 (30
Stat. 1151; 33 U.S.C. 401).

(B) The Act of March 23, 1906 (34 Stat. 84;
33 U.S.C. 491 et seq.).

(C) The General Bridge Act of 1946 (60 Stat.
847; 33 U.S.C. 525 et seq.).

(h) Notwithstanding any other provision of this Act,
the transfer of functions, powers, and duties to the Secretary
shall not include functions vested by the Administrative Pro-
cedure Act (60 Stat. 237; 5 U.S.C. 1001 et seq.) in hear-
ing examiners employed by any agency or component
thereof whose functions are transferred under the provisions
of this Act.

TRANSPORTATION INVESTMENT STANDARDS

SEC. 7. (a) The Secretary shall develop and from time
to time in the light of experience revise standards and criteria
consistent with national transportation policies, for the formu-
lation and economic evaluation of all proposals for the invest-
ment of Federal funds in transportation facilities or equip-
ment, except such proposals as are concerned with (1) the
acquisition of transportation facilities or equipment by Federal
agencies in providing transportation services for their own

1 use; (2) grant-in-aid programs authorized by law; (3) an
2 interoceanic canal located outside the continental United
3 States; (4) defense features included at the direction or
4 upon official certification of the Department of Defense
5 in the design and construction of civil air, sea, and land trans-
6 portation; or (5) programs of foreign assistance. The stand-
7 ards and criteria developed by the Secretary shall be appli-
8 cable to transportation features of water resource projects
9 upon concurrence of the Water Resources Council and shall
10 be compatible with the standards and criteria for economic
11 evaluation applicable to nontransportation features of such
12 projects. For purposes of considering such standards and
13 criteria in relation to water resource projects, the Secretary
14 shall be a member of the Water Resources Council. The
15 Secretary shall, at a time selected by him, prior to the
16 presentation of standards and criteria to the President for
17 approval, publish a notice of proposed standards and criteria
18 in the Federal Register and provide an opportunity for
19 interested persons to present their views on them. The
20 standards and criteria developed or revised pursuant to this
21 subsection shall be promulgated by the Secretary upon their
22 approval by the President.

23 (b) Every survey, plan, or report formulated by a Fed-
24 eral agency which includes a proposal as to which the Sec-
25 retary has promulgated standards and criteria pursuant to

1 subsection (a) shall be (1) prepared in accord with such
2 standards and criteria and upon the basis of information fur-
3 nished by the Secretary with respect to projected growth
4 of transportation needs and traffic in the affected area, the
5 relative efficiency of various modes of transportation, the
6 available transportation services in the area, and the general
7 effect of the proposed investment on the overall transporta-
8 tion system of the area, and on the regional and national
9 economy; (2) coordinated by the proposing agency with
10 the Secretary and, as appropriate, with other Federal agen-
11 cies, States, and local units of government for inclusion of his
12 and their views and comments; and (3) transmitted there-
13 after by the proposing agency for disposition in accord with
14 law and procedures established by the President.

15 AMENDMENTS TO OTHER LAWS

16 SEC. 8. (a) Section 406 (b) of the Federal Aviation
17 Act of 1958 (72 Stat. 763, 49 U.S.C. 1376 (b)), is amended
18 by adding the following sentence at the end thereof: "In
19 applying clause (3) of this subsection, the Board shall take
20 into consideration any standards and criteria prescribed by
21 the Secretary of Transportation, for determining the character
22 and quality of transportation required for the commerce of
23 the United States and the national defense."

24 (b) Section 201 of the Appalachian Regional Develop-

1 ment Act of 1965 (79 Stat. 10, 40 U.S.C. App. 201) is
2 amended as follows:

3 (1) The first sentence of subsection (a) of that section
4 is amended by striking out "Commerce (hereafter in this
5 section referred to as the 'Secretary')" and inserting in
6 lieu thereof "Transportation".

7 (2) The last sentence of subsection (a) of that section
8 is amended by inserting "of Transportation" after "Secre-
9 tary".

10 (3) Subsection (b) of that section is amended by in-
11 serting "of Commerce" after "Secretary".

12 (4) Subsection (c) of that section is amended by strik-
13 ing out the first sentence and inserting in lieu thereof the fol-
14 lowing: "Such recommendations as are approved by the
15 Secretary of Commerce shall be transmitted to the Secretary
16 of Transportation for his approval."

17 (5) The second sentence of subsection (c) of that sec-
18 tion is amended by inserting "of Transportation" after "Sec-
19 retary".

20 (6) Subsection (e) of that section is amended by in-
21 serting "of Transportation" after "Secretary".

22 (7) Subsection (f) of that section is amended by strik-
23 ing out "Secretary determines"; and inserting in lieu thereof
24 "Secretary of Commerce and the Secretary of Transportation
25 determine".

1 (8) Subsection (g) of that section is amended by in-
2 serting before the period at the end thereof the following:
3 “to the Secretary of Commerce, who shall transfer funds to
4 the Secretary of Transportation for administration of projects
5 approved by both Secretaries”.

6 (c) Section 206 (c) of the Appalachian Regional De-
7 velopment Act of 1965 (79 Stat. 15, 40 U.S.C. App.
8 206 (c)) is amended by inserting “Secretary of Transporta-
9 tion,” after “Interior,”.

10 (d) Section 212 (a) of the Interstate Commerce Act
11 (49 Stat. 555, 49 U.S.C. 312 (a)) is amended by striking
12 out “of the Commission” the second, third, and fourth times
13 those words occur.

14 (e) Section 13 (b) (1) of the Fair Labor Standards
15 Act of 1938 (52 Stat. 1067, 29 U.S.C. 213 (b) (1)) is
16 amended by striking out “Interstate Commerce Commis-
17 sion” and inserting in lieu thereof “Secretary of Transporta-
18 tion”.

19 (f) The second sentence of section 3 of the Federal
20 Explosives Act (40 Stat. 385, 50 U.S.C. 123) is amended
21 to read as follows: “This Act shall not apply to explosives
22 or ingredients which are in transit upon vessels, railroad
23 cars, aircraft, or other conveyances in conformity with statu-
24 tory law or with the rules and regulations of the Secretary
25 of Transportation.”

1 ADMINISTRATIVE PROVISIONS

2 SEC. 9. (a) In addition to the authority contained in
3 any other Act which is transferred to and vested in the
4 Secretary, the Secretary is authorized, subject to the civil
5 service and classification laws, to select, appoint, employ,
6 and fix the compensation of such officers and employees, in-
7 cluding attorneys, as are necessary to carry out the pro-
8 visions of this Act and to prescribe their authority and
9 duties.

10 (b) Notwithstanding any provision of this Act or other
11 law—

12 (1) a member of the Coast Guard on active duty
13 may be appointed, detailed, or assigned to any position
14 in the Department other than Secretary, Under Secre-
15 tary, and Assistant Secretary for Administration, and

16 (2) a retired member of the Coast Guard may be
17 appointed to any position in the Department.

18 (c) The Secretary may obtain services as authorized
19 by section 15 of the Administrative Expenses Act of 1946
20 (60 Stat. 810, 5 U.S.C. 55a), but at rates not to exceed
21 \$100 per diem for individuals unless otherwise specified in
22 an appropriation Act.

23 (d) The Secretary is authorized to provide for par-
24 ticipation of military personnel in carrying out his func-
25 tions. Members of the Army, the Navy, the Air Force, or

1 the Marine Corps may be detailed for service in the Depart-
2 ment by the appropriate Secretary, pursuant to cooperative
3 agreements with the Secretary of Transportation.

4 (e) (1) Appointment, detail, or assignment to, accept-
5 ance of, and service in any appointive or other position in the
6 Department under the authority of subsection (b) (1) or sub-
7 section (d) shall in no way affect status, office, rank, or
8 grade which officers or enlisted men may occupy or hold, or
9 any emolument, perquisite, right, privilege, or benefit, inci-
10 dent to or arising out of any such status, office, rank, or grade
11 nor shall any member so appointed, detailed, or assigned be
12 charged against any statutory limitation on grades or
13 strengths applicable to the armed forces. A person so ap-
14 pointed, detailed, or assigned shall not be subject to direction
15 by or control by his armed force or any officer thereof di-
16 rectly or indirectly with respect to the responsibilities exer-
17 cised in the position to which appointed, detailed, or
18 assigned.

19 (2) The Secretary shall report annually in writing to
20 the Congress on personnel appointed and agreements en-
21 tered into under subsection (d) of this section, including
22 the number, rank, and positions of members of the armed
23 services detailed pursuant thereto.

24 (f) In addition to the authority to delegate and redele-
25 gate contained in any other Act, in the exercise of the func-

1 tions transferred to or vested in the Secretary in this Act,
2 the Secretary may delegate any of his functions, powers, and
3 duties to such officers and employees of the Department
4 as he may designate, may authorize such successive redele-
5 gations of such functions, powers, and duties as he may deem
6 desirable, and may make such rules and regulations as may
7 be necessary to carry out his functions, powers, and duties.

8 (g) The personnel, assets, liabilities, contracts, prop-
9 erty, records, and unexpended balances of appropriations,
10 authorizations, allocations, and other funds employed, held,
11 used, arising from, available or to be made available, of the
12 Federal Aviation Agency, and of the head and other officers
13 and offices thereof, are hereby transferred to the Secretary.

14 (h) So much of the positions, assets, liabilities, con-
15 tracts, property, records, and unexpended balances of ap-
16 propriations, authorizations, allocations, and other funds
17 employed, held, used, arising from, available or to be made
18 available in connection with the functions, powers, and duties
19 transferred by sections 6 (except section 6 (c)), 8 (d) , and
20 8 (e) of this Act as the Director of the Bureau of the Budget
21 shall determine shall be transferred to the Secretary. Ex-
22 cept as provided in subsection (i), personnel engaged in
23 these functions, powers, and duties shall be transferred in
24 accordance with applicable laws and regulations relating
25 to transfer of functions.

1 (i) The transfer of personnel pursuant to subsections
2 (g) and (h) of this section shall be without reduction in
3 classification or compensation for one year after such
4 transfer.

5 (j) In any case where all of the functions, powers, and
6 duties of any office or agency, other than the Coast Guard,
7 are transferred pursuant to this Act, such office or agency
8 shall lapse. Any person who, on the effective date of this
9 Act, held a position compensated in accordance with the
10 Federal Executive Salary Schedule, and who, without a
11 break in service, is appointed in the Department to a posi-
12 tion having duties comparable to those performed immedi-
13 ately preceding his appointment shall continue to be com-
14 pensated in his new position at not less than the rate pro-
15 vided for his previous position, for the duration of his service
16 in his new position.

17 (k) The Secretary is authorized to establish a working
18 capital fund, to be available without fiscal year limitation,
19 for expenses necessary for the maintenance and operation of
20 such common administrative services as he shall find to be
21 desirable in the interest of economy and efficiency in the De-
22 partment, including such services as a central supply service
23 for stationery and other supplies and equipment for which
24 adequate stocks may be maintained to meet in whole or in

1 part the requirements of the Department and its agencies;
2 central messenger, mail, telephone, and other communica-
3 tions services; office space, central services for document re-
4 production, and for graphics and visual aids; and a central
5 library service. The capital of the fund shall consist of any
6 appropriations made for the purpose of providing capital
7 (which appropriations are hereby authorized) and the fair
8 and reasonable value of such stocks of supplies, equipment,
9 and other assets and inventories on order as the Secretary
10 may transfer to the fund, less the related liabilities and
11 unpaid obligations. Such funds shall be reimbursed from
12 available funds of agencies and offices in the Department,
13 or from other sources, for supplies and services at rates which
14 will approximate the expense of operation, including the ac-
15 crual of annual leave and the depreciation of equipment.
16 The fund shall also be credited with receipts from sale or
17 exchange of property and receipts in payment for loss or
18 damage to property owned by the fund.

19 (l) The Secretary shall cause a seal of office to be
20 made for the Department, and judicial notice shall be taken
21 of such seal.

22 (m) In addition to the authority contained in any other
23 Act which is transferred to and vested in the Secretary, and
24 as necessary and when not otherwise available, the Secretary
25 is authorized to provide for, construct, or maintain the fol-

1 lowing for employees and their dependents stationed at re-
2 mote localities:

3 (1) Emergency medical services and supplies;

4 (2) Food and other subsistence supplies;

5 (3) Messing facilities;

6 (4) Motion picture equipment and film for recrea-
7 tion and training;

8 (5) Reimbursement for food, clothing, medicine,
9 and other supplies furnished by such employees in emer-
10 gencies for the temporary relief of distressed persons;
11 **and**

12 (6) Living and working quarters and facilities.

13 The furnishing of medical treatment under paragraph (1)
14 and the furnishing of services and supplies under para-
15 graphs (2) and (3) of this subsection shall be at prices
16 reflecting reasonable value as determined by the Secretary,
17 and the proceeds therefrom shall be credited to the appro-
18 priation from which the expenditure was made.

19 (n) (1) The Secretary is authorized to accept, hold, ad-
20 minister, and utilize gifts and bequests of property, both real
21 and personal, for the purpose of aiding or facilitating the
22 work of the Department. Gifts and bequests of money and
23 the proceeds from sales of other property received as gifts or
24 bequests shall be deposited in the Treasury in a separate fund
25 and shall be disbursed upon order of the Secretary of Trans-

1 portation. Property accepted pursuant to this paragraph,
2 and the proceeds thereof, shall be used as nearly as possible in
3 accordance with the terms of the gift or bequest.

4 (2) For the purpose of Federal income, estate, and gift
5 taxes, property accepted under paragraph (1) shall be con-
6 sidered as a gift or bequest to or for use of the United States.

7 (3) Upon the request of the Secretary, the Secretary of
8 the Treasury may invest and reinvest in securities of the
9 United States or in securities guaranteed as to principal and
10 interest by the United States any moneys contained in the
11 fund provided for in paragraph (1). Income accruing from
12 such securities, and from any other property held by the
13 Secretary pursuant to paragraph (1), shall be deposited to
14 the credit of such fund, and shall be disbursed upon order
15 of the Secretary of Transportation.

16 (o) (1) The Secretary is authorized, upon the written
17 request of any person, or any State, territory, possession, or
18 political subdivision thereof to make special statistical studies
19 relating to foreign and domestic transportation, and other
20 matters falling within the province of the Department, to
21 prepare from its records special statistical compilations, and
22 to furnish transcripts of its studies, tables, and other records
23 upon the payment of the actual cost of such work by the
24 person or body requesting it.

1 (2) All moneys received by the Department in pay-
2 ment of the cost of work under paragraph (1) shall be
3 deposited in a special account to be administered under
4 the direction of the Secretary. These moneys may be used,
5 in the discretion of the Secretary, and notwithstanding any
6 other provisions of law, for the ordinary expenses incidental
7 to the work and/or to secure in connection therewith the
8 special services of persons who are neither officers nor em-
9 ployees of the United States.

10 (p) The Secretary is authorized to appoint, without
11 regard to the civil service laws, such advisory committees as
12 shall be appropriate for the purpose of consultation with and
13 advice to the Department in performance of its functions.
14 Members of such committees, other than those regularly em-
15 ployed by the Federal Government, while attending meet-
16 ings of such committees or otherwise serving at the request
17 of the Secretary, may be paid compensation at rates not
18 exceeding those authorized for individuals under subsection
19 (c) of this section, and while so serving away from their
20 homes or regular places of business, they may be allowed
21 travel expenses, including per diem in lieu of subsistence, as
22 authorized by section 5 of the Administrative Expenses Act
23 of 1946 (5 U.S.C. 73b-2) for persons in the Government
24 service employed intermittently.

1 CONFORMING AMENDMENTS TO OTHER LAWS

2 SEC. 10. (a) Section 19 (d) (1) of title 3, United
3 States Code, is hereby amended by inserting before the period
4 at the end thereof the following: “, Secretary of Trans-
5 portation”.

6 (b) Section 158 of the Revised Statutes (5 U.S.C. 1)
7 is amended by adding at the end thereof:

8 “Twelfth. The Department of Transportation.”

9 (c) The amendment made by subsection (b) of this
10 section shall not be construed to make applicable to the
11 Department any provision of law inconsistent with this Act.

12 (d) Section 303 of the Federal Executive Salary Act
13 of 1964 (78 Stat. 416, 5 U.S.C. 2211) is amended as
14 follows:

15 (1) Subsection (a) of that section is amended by add-
16 ing at the end thereof the following:

17 “(11) Secretary of Housing and Urban Develop-
18 ment.

19 “(12) Secretary of Transportation.”

20 (2) Subsection (c) of that section is amended by strik-
21 ing out “(6) Under Secretary of Commerce for Transporta-
22 tion” and inserting in lieu thereof “(6) Under Secretary of
23 Transportation”.

1 (3) Subsection (d) of that section is amended by add-
2 ing at the end thereof the following:

3 “(70) Assistant Secretaries, Department of Trans-
4 portation, (4).

5 “(71) General Counsel, Department of Trans-
6 portation.

7 “(72) Chairman, National Transportation Safety
8 Board, Department of Transportation.”

9 (4) Subsection (e) of that section is amended by adding
10 at the end thereof the following:

11 “(101) Assistant Secretary for Administration, De-
12 partment of Transportation.

13 “(102) Members, National Transportation Safety
14 Board, Department of Transportation (4).”

15 (5) Subsection (f) of that section is amended by strik-
16 ing out “thirty” and inserting in lieu thereof “thirty-nine”.

17 (6) That section is further amended by adding at the
18 end thereof the following new subsection:

19 “(h) The President is further authorized to place one
20 position in level III.”

21 (e) Subsections (b) (7), (d) (2), and (e) (12),
22 (13), (14), (76), (82), and (89) of section 303 of the

1 Federal Executive Salary Act of 1964 (78 Stat. 416, 5
2 U.S.C. 2211) are repealed.

3 (f) The Act of August 1, 1956 (70 Stat. 897, 46
4 U.S.C. 1241c), is amended by striking out the words "Sec-
5 retary of Commerce" where they appear therein and insert-
6 ing in lieu thereof "Secretary of Transportation".

7 (g) Section 1020 of title 18, United States Code, is
8 amended by striking out "Secretary of Commerce" wherever
9 it appears therein and inserting in lieu thereof "Secretary of
10 Transportation".

11 (h) Subsection (1) of section 801 of title 10, United
12 States Code, is amended by striking out "the General Coun-
13 sel of the Department of the Treasury" and inserting in lieu
14 thereof "the General Counsel of the Department of Trans-
15 portation".

16 ANNUAL REPORT

17 SEC. 11. The Secretary shall, as soon as practicable after
18 the end of each fiscal year, make a report in writing to the
19 President for submission to the Congress on the activities of
20 the Department during the preceding fiscal year.

21 SAVINGS PROVISIONS

22 SEC. 12. (a) All orders, determinations, rules, regula-
23 tions, permits, contracts, certificates, licenses, and privi-
24 leges—

1 (1) which have been issued, made, granted, or al-
2 lowed to become effective—

3 (A) under any provision of law amended by
4 this Act, or

5 (B) in the exercise of duties, powers, or func-
6 tions which are transferred under this Act,
7 by (i) any department or agency, any functions of
8 which are transferred by this Act, or (ii) any court of
9 competent jurisdiction, and

10 (2) which are in effect at the time this Act takes
11 effect,

12 shall continue in effect according to their terms until modified,
13 terminated, superseded, set aside, or repealed by the Secre-
14 tary, Board, or General Counsel (in the exercise of any
15 authority respectively vested in them by this Act), by any
16 court of competent jurisdiction, or by operation of law.

17 (b) The provisions of this Act shall not affect any
18 proceedings pending at the time this section takes effect be-
19 fore any department or agency (or component thereof),
20 functions of which are transferred by this Act; but such
21 proceedings, to the extent that they relate to functions so
22 transferred, shall be continued before the Department. Such
23 proceedings, to the extent they do not relate to functions so
24 transferred, shall be continued before the department or

1 agency before which they were pending at the time of such
2 transfer. In either case orders shall be issued in such pro-
3 ceedings, appeals shall be taken therefrom, and payments
4 shall be made pursuant to such orders, as if this Act had not
5 been enacted; and orders issued in any such proceedings shall
6 continue in effect until modified, terminated, superseded, or
7 repealed by the Secretary, Board, or General Counsel (in
8 the exercise of any authority respectively vested in them by
9 this Act), by a court of competent jurisdiction, or by opera-
10 tion of law.

11 (c) (1) Except as provided in paragraph (2) —

12 (A) the provisions of this Act shall not affect suits
13 commenced prior to the date this section takes effect, and

14 (B) in all such suits proceedings shall be had, ap-
15 peals taken, and judgments rendered, in the same man-
16 ner and effect as if this Act had not been enacted.

17 No suit, action, or other proceeding commenced by or against
18 any officer in his official capacity of any department or
19 agency, functions of which are transferred by this Act, shall
20 abate by reason of the enactment of this Act. No cause of
21 action by or against any department or agency, functions of
22 which are transferred by this Act, or by or against any
23 officer thereof in his official capacity shall abate by reason of
24 the enactment of this Act. Causes of actions, suits, actions
25 or other proceedings may be asserted by or against the

1 United States or such official of the Department as may be
2 appropriate and, in any litigation pending when this section
3 takes effect, the court may at any time, on its own motion or
4 that of any party, enter an order which will give effect to the
5 provisions of this subsection.

6 (2) If before the date on which this Act takes effect,
7 any department or agency, or officer thereof in his official
8 capacity, is a party to a suit, and under this Act—

9 (A) such department or agency is transferred to the
10 Secretary, or

11 (B) any function of such department, agency, or
12 officer is transferred to the Secretary,

13 then such suit shall be continued by the Secretary (except in
14 the case of a suit not involving functions transferred to the
15 Secretary, in which case the suit shall be continued by the
16 department, agency, or officer which was a party to the suit
17 prior to the effective date of this Act).

18 (d) With respect to any function, power, or duty trans-
19 ferred by this Act and exercised after the effective date of this
20 Act, reference in any other Federal law to any department
21 or agency, officer or office so transferred or functions of which
22 are so transferred shall be deemed to mean the officer or
23 agency in which this Act vests such function after such
24 transfer.

1 SEPARABILITY

2 SEC. 13. If any provision of this Act or the application
3 thereof to any person or circumstances is held invalid, the
4 remainder of this Act, and the application of such provision
5 to other persons or circumstances shall not be affected
6 thereby.

7 CODIFICATION

8 SEC. 14. The Secretary shall propose to the Congress
9 within two years from the effective date of this Act, a codi-
10 fication of all laws that contain the powers, duties, and func-
11 tions transferred to or vested in the Secretary or the Depart-
12 ment by this Act.

13 EFFECTIVE DATE; INITIAL APPOINTMENT OF
14 OFFICERS

SEC. 15. (a) This Act shall take effect ninety days after the Secretary first takes office, or on such prior date after enactment of this Act as the President shall prescribe and publish in the Federal Register.

(b) Any of the officers provided for in sections 3 or 5 of this Act may (notwithstanding subsection (a)) be appointed in the manner provided for in such sections, at any time after the date of enactment of this Act. Such officers

1 shall be compensated from the date they first take office, at
2 the rates provided for in sections 5 and 10 of this Act.
3 Such compensation and related expenses of their offices shall
4 be paid from funds available for the functions to be trans-
5 ferred to the Department pursuant to this Act.

A BILL

To establish a Department of Transportation,
and for other purposes.

By Mr. HOLIFIELD

JUNE 27, 1966

Referred to the Committee on Government Operations

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DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D. C. 20250
OFFICIAL BUSINESS

POSTAGE AND FEES PAID
U. S. DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
TO BE QUOTED OR CITED)

Issued June 30, 1966
For actions of June 29, 1966
89th-2nd; No. 107

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HIGHLIGHTS: House received conference report on cotton research-promotion bill. Reps. Roush and Brademas urged enactment of disaster relief bill. Senate committee voted to report child nutrition bill. Senate passed screw-worm eradication bill. Sen. Proxmire urged enactment of special school milk program. Rep. Gross inserted tabulation of underpayment to agriculture and debt expansion.

HOUSE

1. COTTON. Received the conference report on H. R. 12322, the cotton research and promotion bill (H. Rept. 1673) (pp. 13954-5). The report contains a statement and explanation of the effect of the action agreed upon by the conferees as follows:

"H. R. 12322 would authorize the Secretary of Agriculture to issue a marketing order authorizing the collection of contributions from cotton producers of \$1.00 per bale to be used for the purpose of research and promotion to further the consumption of cotton in the United States. As in the case of other

marketing orders, the bill provides that the proposed marketing order should be approved in a referendum of cotton producers by two-thirds of the producers voting in the referendum or two-thirds of the cotton production represented by producers in the referendum.

"The Senate amended the bill in two respects: (1) To provide that the assessment could not exceed \$1.00 per bale; (2) To provide that approval of the marketing order in the referendum by a vote of two-thirds of the volume represented would not be effective unless such vote also represented at least a majority of the producers voting in the referendum.

"In the meeting of the conferees it was stated that the Secretary of Agriculture had announced that he would not approve the proposed marketing order unless a majority of the producers voted in favor of it, if the decision were to be made on a volume of production basis. The Senate amendment dealing with this matter appeared, therefore, to be a moot question and the House conferees accepted this amendment.

"Having accepted the amendment with respect to the referendum, the conferees felt that it would give cotton producers greater confidence in the proposed program to accept also the first Senate amendment which provides that the producer assessment under the proposed marketing order cannot be, under any circumstances, more than \$1.00 per bale under this legislation."

2. PERSONNEL; PAY. Concurred in Senate amendments to H. R. 1535, to permit the payment of premium compensation to Classification Act employees for periods of work involving hazardous conditions (p. 13955). This bill will now be sent to the President.
3. WATER FOR PEACE. A subcommittee of the Foreign Affairs Committee approved for full committee action H. J. Res. 1169, to enable the U. S. to organize and hold an International Conference on Water for Peace in the U. S. in 1967. p. D594
4. TRANSPORTATION. The Government Operations Committee voted to report (but did not actually report) H. R. 15963, amended, to establish a Department of Transportation. p. D594
5. RECREATION. The Interior and Insular Affairs Committee voted to report (but did not actually report) H. R. 51, amended, to provide for the establishment of the Indiana Dunes National Lakeshore. p. D594
6. FIREFIGHTERS. A subcommittee of the Post Office and Civil Service Committee approved for full committee action H. R. 10294, to reduce the time in standby status of firefighting personnel of the Federal Government. p. D595
7. FOREIGN AID. The "Daily Digest" states that the Rules Committee "granted an open rule with 5 hours of debate on H. R. 15750," the foreign aid authorization bill. p. D595
8. POVERTY. The "Daily Digest" states that the Rules Committee "granted an open rule with 8 hours of debate on H. R. 15111," the Economic Opportunity Act amendments. p. D595
9. DISASTER RELIEF. Reps. Roush and Brademas commended and discussed the provisions of S. 1861, to provide additional assistance for areas suffering a major disaster, and urged its enactment. pp. 13982-86

DEPARTMENT OF TRANSPORTATION ACT

JULY 15, 1966.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. DAWSON, from the Committee on Government Operations,
submitted the following

R E P O R T

[To accompany H.R. 15963]

The Committee on Government Operations, to whom was referred the bill (H.R. 15963) to establish a Department of Transportation, and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

The amendments are as follows:

Page 8, insert after line 7 the following:

(d) Except as otherwise provided by statute, the Board shall make public all reports, orders, decisions, rules, and regulations issued pursuant to sections 5(b)(1) and 5(b)(2); and the Board shall also make public—

- (1) every recommendation made to the Secretary,
- (2) every special study conducted, and
- (3) every action of the Board requiring the Secretary to take action

pursuant to section 5(c)(1), (2), (3), (4), (5), or (7).

Page 8, line 8, strike out “(d)” and insert in lieu thereof “(e)”.

Page 8, line 13, strike out “(e)” and insert in lieu thereof “(f)”.

Page 8, beginning on line 13, strike out “two years after the effective date of this Act” and insert in lieu thereof “annually”.

Page 8, beginning on line 17, strike out “An interim report shall be submitted to the Congress one year after the effective date of this Act.”

Page 8, line 20, strike out “(f)” and insert in lieu thereof “(g)”.

Page 9, line 3, strike out “(g)” and insert in lieu thereof “(h)”.

Page 9, line 14, strike out “(h)” and insert in lieu thereof “(i)”.

Page 10, line 6, strike out “(i)” and insert in lieu thereof “(j)”.

Page 10, line 10, strike out "(j)" and insert in lieu thereof "(k)".

Page 10, line 13, strike out "(k)" and insert in lieu thereof "(l)".

Page 10, line 20, strike out "(l)" and insert in lieu thereof "(m)".

Page 10, line 21, strike out "731" and insert in lieu thereof "782".

Page 11, line 1, strike out "(m)" and insert in lieu thereof "(n)".

Page 11, line 6, strike out "(n)" and insert in lieu thereof "(o)".

Page 16, line 9, insert before "49 U.S.C. 1343(c)" the following:
"72 Stat. 746,".

Page 16, line 18, strike out "776" and insert in lieu thereof "775".

Beginning on page 18, strike out line 24 and all that follows down through line 5 on page 19.

Page 19, line 6, strike out "(B)" and insert in lieu thereof "(A)".

Page 19, line 8, strike out "(C)" and insert in lieu thereof "(B)".

Page 19, strike out lines 11 through 14.

Page 19, line 15, strike out "(E)" and insert in lieu thereof "(C)".

Page 19, line 22, strike out "(F)" and insert in lieu thereof "(D)".

Page 20, beginning on line 8, strike out "the first paragraph of this subsection" and insert in lieu thereof "subsection (e)".

Page 24, beginning on line 6, strike out "or (5)" and all that follows down through line 14, and insert in lieu thereof "(5) programs of foreign assistance; or (6) water resource projects. The".

Page 27, line 20, strike out "385" and insert in lieu thereof "386".

Page 34, line 19, insert after "and" the following: "special statistical studies relating to".

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SUMMARY AND PURPOSE OF THE BILL (AS AMENDED)

H.R. 15963 was introduced by Congressman Chet Holifield to carry out a recommendation made to Congress by the President to establish a new executive Department of Transportation to bring together major Federal agencies and activities involving transportation promotion and safety, but not economic regulation which would remain with the appropriate regulatory agencies. H.R. 15963 is a clean bill that represents a substantial rewriting by the committee of H.R. 13200, originally introduced.

In his message to Congress on transportation of March 2, 1966 (H. Doc. 89-399), the President urged the creation of such a Department to serve the growing demands of this great Nation, to satisfy

the needs of our expanding industry and to fulfill the rights of our taxpayers to maximum efficiency and frugality in Government operations. The new Department would bring together almost 100,000 employees and \$6 billion of Federal funds presently devoted annually to transportation.

The Department will be headed by a Secretary, an Under Secretary, four Assistant Secretaries, an Assistant Secretary for Administration, and a General Counsel. The principal operating divisions will be a Federal Highway Administration, a Federal Railroad Administration, a Federal Maritime Administration, a Federal Aviation Administration, each headed by an Administrator appointed by the President and confirmed by the Senate, and the Coast Guard, headed by the Commandant. There will also be an Office of Accident Investigation, whose primary responsibility will be to investigate major aircraft accidents. This office will be independent of the Federal Aviation Administration.

The bill will create, within the Department, a National Transportation Safety Board to review investigations of accidents and to determine their causes. It will make reports to the Secretary and to Congress, including recommendations for safety legislation. Specifically, the Board will carry out the functions transferred directly to it by the bill to decide the cause or probable cause of transportation accidents and to review, on appeal, the amendment, suspension, modification, revocation, or denial of certificates or licenses issued by the Secretary. The Board will have the authority to require the Secretary to conduct further investigations, or take such other measures as the Board believes are required to develop all facts and circumstances surrounding an accident. The Board will also have the authority to require the Secretary to initiate specific accident investigations. It will make special studies of safety and accident prevention, and may arrange for the personal participation of its members or employees in the investigation of accidents by the Department.

The following agencies and functions are being transferred to the new Department:

1. The Office of the Under Secretary of Commerce for Transportation, and its policy, program, emergency transportation, and research staffs.

2. The Bureau of Public Roads and the Federal-aid highway program it administers—to become a principal element of the Federal Highway Administration.

3. The Federal Aviation Agency with its functions in aviation safety, promotion, development, and grant programs—to become the Federal Aviation Administration.

4. The Coast Guard, whose principal peacetime activities relate to transportation and marine safety—to be transferred as a unit from the Treasury Department. As in the past, the Coast Guard will operate as part of the Navy in time of war.

5. The Maritime Administration, with its construction and operating subsidy programs—to become the Federal Maritime Administration.

6. The functions of the CAB to determine the probable cause of aircraft accidents and its appellate functions related to safety certificates and licenses are transferred to the National Transportation Safety Board. The CAB's function of investigating aircraft accidents

is transferred to the Secretary and will be delegated to the Office of Accident Investigation.

7. The safety functions of the Interstate Commerce Commission, principally the inspection and enforcement of safety regulations for railroads, motor carriers, and pipelines.

8. The Great Lakes Pilotage Administration, and certain minor transportation-related activities of other agencies. In his message on transportation, the President stated that the St. Lawrence Seaway Development Corporation and the Alaska Railroad would be transferred to the Department by Executive order.

The bill will also require the Secretary of Transportation to develop standards and criteria, consistent with national transportation policies, for the formulation and economic evaluation of all proposals for the investment of Federal funds in transportation facilities or equipment with certain exceptions listed in the bill. Standards and criteria involving water resource projects and grant-in-aid programs including highway and airport construction were among those excepted.

Nothing in the bill authorizes the Secretary, without appropriate action by Congress, to adopt or revise a national transportation policy.

HEARINGS

Hearings on the bill were held by the Subcommittee on Executive and Legislative Reorganization at which time representatives of the administration, officials of the affected agencies, representatives of industry and labor groupings and transportation experts, among others, testified. The hearings consumed 11 days. Virtually all points of view were presented and carefully considered by the subcommittee. The printed record contains approximately 1,200 pages. (See "Hearings on H.R. 13200, Creating a Department of Transportation," vols. 1 and 2, Committee on Government Operations, House of Representatives, 89th Cong., 2d sess., cited hereafter as "Hearings.")

COMMITTEE POSITION ON THE BILL

Creation of a Cabinet-level department of Government is a historic act. In our 176 years of experience as a nation and a government under the Constitution, acts of Congress to create the great departments of Government have been few. Today we have only 11 Cabinet-level departments. We propose, in H.R. 15963, to make the Department of Transportation the 12th.

The fact that 6 of our 11 Cabinet departments are 20th-century creations and that 3 of them are less than 20 years old—the last one created in 1965—bespeaks the growing complexity of our society and the broadening responsibilities of the Federal Government to provide for the common defense and the general welfare, to enlarge the opportunities for education and decent housing, to fight poverty and discrimination, to safeguard the Nation's health, and to cope with the countless other problems of burgeoning populations and sprawling metropolitan growth.

The Department of Defense (1949), the Department of Health, Education, and Welfare (1953), and the Department of Housing and Urban Development (1965) denote, by their very titles, broad seg-

ments of Government responsibility in contemporary life which have merited the creation of Cabinet-level departments. Now we propose, by the creation of a Department of Transportation, to lay the organizational base for coherent policy and efficient performance in another large and vitally important area of public concern—the movement of people and goods. Transportation ties together communities and regions, enlarges individual horizons, expands opportunities for employment, commerce and recreation, marks our interdependence and unity as a nation. As stated so aptly by President Johnson in his message proposing the new Department, “In a nation that spans a continent, transportation is the web of union.”¹

The President’s message points up in graphic terms the vast transportation growth over two decades. Twenty years ago there were 31 million motor vehicles in the United States. Now there are 90 million. These autos, trucks, buses, and motorcycles move on 1.5 million miles of paved streets and highways. Aircraft numbers in the same period have grown from 38,000 private and commercial aircraft to 97,000. Commercial aircraft mileage flown was 1 billion in 1965 compared to 209 million 20 years ago—a fivefold increase.

Transportation accounts for one-sixth of the gross national product and is one of the largest sources of employment. There are 737,000 railroad employees, 270,000 local and interurban workers, 230,000 in air transport, and almost 1 million in motor transport and storage. The President’s message points out that including pipeline and water transportation employees, well over 2.5 million people make their living by moving people and goods.

Transportation employment and services, for the most part, are the responsibilities of private enterprise. Nevertheless the Federal Government supports or regulates almost every means of transportation. The Director of the Budget testified that in the current fiscal year the Government expects to spend \$5 billion on the highway system, \$879 million for aviation, and \$740 million for our merchant marine including the Coast Guard.

Looking back 20 years, the evidence of growth in the transportation sector is truly phenomenal. But more important than comparisons with the past are the projections for the future. The startling growth of the population alone, projected from present trends, suggests the enormous problems that lie ahead. In 1960, the year of the last official census, the population of the United States stood at 179.2 million, of whom 125.3 million, or 70 percent, were classified as urban dwellers. This year—1966—the population is estimated at 195.8 million. In less than a single generation, by 1990, the population of the United States probably will top 300 million. The estimate for the year 2000 is 362 million, an increase of 85 percent over 1966. About 128 million will be residents of the eastern seaboard.² By then 85 of every 100 Americans will be city dwellers.

Projections of transportation and traffic growth, even for the short term, signify a vastly increasing movement of people for pleasure and profit, and of commodities in the channels of local and interstate commerce. In 1965, 87 million automobiles, trucks, and other

¹ House Doc. No. 399, 89th Cong., 2d sess., Mar. 2, 1966, p. 1.

² Includes the New England, Middle Atlantic and South Atlantic States and Pennsylvania and West Virginia.

vehicles traveled the Nation's streets and highways. By 1975, less than 10 years hence, 116 million—some predictions say 120 million—vehicles will abound.

In 1965, intercity ton-miles of cargo and intercity passenger-miles for all forms of transportation were 1,620 billion and 938 billion, respectively. For 1975 the figures are 2,440 billion intercity ton-miles and 1,464 billion intercity passenger-miles, increases of 66 and 64 percent.

Domestic airline passenger traffic, which was estimated at approximately 45 billion revenue passenger-miles in 1965, will double or triple by 1975 depending on the assumptions in the estimates.

The pressing demands of a prosperous economy and a progressive society such as ours for more goods and services, more and better means of travel to work or play, strain our transportation systems to the breaking point. Traffic clogs the streets, the highways, the airlines and the waterways. Each year there is a fearful toll of death and injury—this year alone probably 50,000 persons will die in street and highway accidents; the maimed will number in the hundreds of thousands. The automobile, that wondrous machine which has so radically transformed our society in this century, cumulatively has taken more American lives—1.5 million—than all of the wars in our Nation's history.

Each day at our major national airports, airplanes come and go by the hundreds and thousands—last year at Washington National Airport alone there were almost 300,000 arrivals and departures of aircraft carrying 7 million passengers. Ticket counters are jammed, parking places are filled, aircraft noise is a nuisance, stacked up planes and delays are common.

The toll of life and injury exacted from the traveling public is compounded by the disruptions and delays of inefficient or uncoordinated transportation systems. The economy pays a heavy toll in wasted resources when goods or people cannot move cheaply, efficiently, and safely to points of demand or destination.

The Department of Transportation is not a panacea for all the transportation ills of the Nation. There must be a many-sided attack on these problems, including research and experimentation in safety measures and techniques for vehicles in all modes of transportation, the vigorous enforcement of standards, the application of new technologies in devising safe and rapid means of transport, and the channeling of Federal investments to promote economically viable and efficient transportation systems.

Many actions now are underway administratively at President Johnson's direction, pointed toward the abatement of aircraft noise, the coordination and improvement of Federal highway safety programs, the investigation of improved traffic flow and expanded highway networks, the development of safety standards for motor vehicles and equipment, the study of advanced concepts in propulsion, speed, capacity, and loading methods of oceangoing vessels, and broad-scale systems research to reduce the burden of paperwork in handling of shipments and to effectively use techniques and methods which cut across the several modes of transportation. In support of these efforts and in recognition of the many complex but interrelated facets of the transportation problem, the Congress is devoting considerable attention to transportation measures. The 89th Congress has enacted

important legislation enabling the Federal Government to help cities build mass transportation systems, and to investigate by research and demonstration the feasibility of high-speed intercity transportation systems. Among other measures presently under active consideration is a bill for Federal safety standards in automobile manufacture.

H.R. 15963, the Department of Transportation bill, is a governmental organization measure of far-reaching significance. It will give stronger force, surer direction, and greater coherence to programs now underway and to new ones in the making. It will lay a better and broader foundation for dealing with the many transportation problems which confront the Nation and for developing coherent and coordinated policy in the transportation sector.

The proposal itself is not new. Recommendations for a Department of Transportation date back to the latter part of the 19th century. In recent years, as the population multiplied and transportation conditions became more chaotic, such recommendations were renewed with a more compelling sense of urgency. The heavy Federal investment in transportation, the diverse agencies and policies, the uneven economic impact, the changing technologies affecting all modes, the heavy, recurrent toll of life and property and serious concern about safety, the demands for effective coordination and a more rational allocation of resources, all add up to a justification for a Cabinet-level Department of Transportation and for action now.

In creating the great new departments of the past few years, the Congress has laid down pragmatic criteria for departmental status. These include the size and scope of the Government activities, their interrelationships, their permanence, and their national importance. As the Budget Director observed in his testimony:³

Departmental status has been given to those agencies which (1) administer a wide range of programs directed toward a common purpose of national importance; and (2) are concerned with policies and programs requiring frequent and positive Presidential direction and representation at the highest levels of Government.

Certainly, the transportation activities of the Federal Government merit departmental status. The Department of Transportation will have approximately 100,000 employees and a yearly budget of \$6 billion. It will rank as one of the larger Cabinet departments of the Federal Government.

The committee regards the new Department as a necessary organizational change not only for more efficient performance of existing transportation activities but as a means of preparing for the future. We have enormous problems to solve today and also tomorrow. The new Department will signify a new Government posture for progress in transportation. A nation which will add 160 million more people in 35 years must look beyond contemporary problems to the welfare and happiness of its children.

IMPORTANT FEATURES OF THE BILL

(1) *It brings together in one department major transportation agencies but avoids rigid consolidation.*—Government responsibilities in transportation are many and diverse. Every major department or agency

³ Testimony by Charles L. Schultze, Director, Bureau of the Budget, hearings, pt. 1, p. 55.

of Government, in one sense or another, is interested in or involved in transportation activities. The bill does not propose to effect a highly rigid, overcentralized consolidation of all transportation activities in the Federal Government. It brings together within the Department of Transportation the major transportation agencies and functions outside the Department of Defense; namely, the Federal Aviation Agency, the Bureau of Public Roads, the Coast Guard, the Maritime Administration, the Office of the Under Secretary of Commerce for Transportation, the safety functions of the Civil Aeronautics Board and of the Interstate Commerce Commission, the Great Lakes Pilotage Administration, and certain minor transportation-related activities of other agencies. Additionally, by Executive order, the President can transfer to the new Department the St. Lawrence Seaway Development Corporation and the Alaska Railroad.

(2) *The organizational identity of the major transportation modes is assured.*—The bill would create four administrations: Federal Aviation Administration, Federal Highway Administration, Federal Maritime Administration, and Federal Railroad Administration. In each case the agency will be headed by a Federal Administrator appointed by the President and confirmed by the Senate who will report directly to the Secretary. The Coast Guard will be a major component of the Department and will continue as a separate and intact organization headed by the Commandant, responsible to the Secretary of Transportation rather than the Secretary of the Treasury. The bill makes clear that in time of war or emergency the Coast Guard would be transferred to the Department of the Navy, as now prescribed by law. A similar provision assures that functions of the Federal Aviation Administration could be transferred to the Department of Defense in time of war. The few pipeline safety functions which are transferred to the Department would be administered in accordance with the Secretary's directions.

(3) *Emphasis is given to the continuity of operations.*—Not only does the bill provide for designated transportation agencies with high-level administrators, but it specifically enjoins the Secretary of Transportation, in exercising his functions, powers, and duties, to "give full consideration to the need for operational continuity of the functions transferred" as well as to the need for safe and effective transportation systems and national defense requirements. The committee emphasizes the importance of continuity in operating agencies and expects that, by and large, the agencies and functions to be transferred will go over with their existing personnel and resources. As the Secretary becomes familiar with the workings of the new Department and examines the varied resources within his departmental jurisdiction, the committee expects that many opportunities to eliminate duplication and to effect money savings and more efficient performance will be presented.

(4) *The transportation regulatory agencies remain independent.*—The committee recognizes and the bill provides that regulatory agencies dealing with transportation have historic quasi-judicial and quasi-legislative functions which require independence from other executive branch organizations. Thus, economic regulatory functions of the Interstate Commerce Commission (motor carriers, railroads, water carriers, freight forwarders, and pipelines, except water and natural gas), Civil Aeronautics Board (airlines), Federal Maritime

Commission (ocean shipping), and the Federal Power Commission (natural gas pipelines) will remain in these agencies. Safety and accident investigation functions of the CAB and ICC, however, will be transferred to the new Department.

The independent regulatory agencies naturally will be aware of, and give consideration to, transportation policies and programs of the new Department. Indeed, the Secretary of Transportation from time to time will appear before the ICC and other regulatory agencies, as do certain department and agency heads at the present time. The bill specifically enjoins the CAB, in determining airline subsidy needs, to consider any standards and criteria prescribed by the Secretary of Transportation relative to the quality of transportation required by the defense and commerce of the United States. It is mandatory that the Board consider, not that it follow, the Secretary's standards or criteria.

In the case of maritime subsidies, since these presently are administered not by the Federal Maritime Commission but by the Maritime Administration, which goes over to the new Department, the responsibilities are not of the same regulatory nature as airline subsidies. The Maritime Administration does not grant or deny certificates of convenience and necessity like the CAB; and CAB authority for certain airlines to operate or utilize certain routes is intimately tied up with the granting of subsidies.⁴

(5) *Car service functions stay in the Interstate Commerce Commission.*—A committee amendment to the bill provides that car service functions, relating to the supply, distribution and interchange of locomotives, cars, and other vehicles not owned by using carriers, will remain in the ICC. The bill originally proposed that car service functions be transferred to the new Department, except that those relating to per diem charges and to demurrage charges (in part) be left with the ICC. The committee recognizes that car service functions are partly administrative or operational and partly of an economic regulatory nature. There appeared to be general agreement that all these functions should be administered by a single agency rather than be split up. The ICC and the Bureau of the Budget, in communications to the committee, favored transfer of the car service functions to the new Department, whereas industry generally favored their retention by the ICC. The committee believes that, until more conclusive reasons for transfer are presented to the Congress, these functions should remain in the ICC.

Representations also were made to the committee by railroad interests that safety as well as car service functions had an economic aspect and therefore should remain in the regulatory agency. Undoubtedly all safety measures have important economic implications, but the committee believes that transferring safety functions in all modes of transportation to the new Department will yield more future dividends in accident prevention and safety progress than leaving these functions distributed among the regulatory commissions. For reasons stated below, safety is a key organizational feature of the new Department. Additionally, by transferring the ICC's safety functions to the new Department, while leaving the car service functions in the ICC, the committee gives effect to a recommendation

⁴ Testimony by Adm. John Harlee, Chairman, Federal Maritime Commission, hearings, pt. 1, pp. 188-189.

made in one of its recent reports regarding the separation of these functions.⁵

(6) *The Department of Defense's transportation resources are excluded from the new Department.*—The Department of Defense and the military services have many ships, aircraft, helicopters, motor vehicles, boxcars, barges, small boats, and other transportation vehicles and resources to serve defense needs. None of these resources nor the responsibilities for their procurement, deployment, and use are transferred to the Department of Transportation. Nor will the Secretary of Transportation control design features of civil transportation required for defense.

On the other hand, in view of the broad transportation responsibilities both in the Department of Defense and the new civil Department, the committee contemplates that there will be close consultation and cooperation. The bill authorizes the Secretary of Transportation to arrange for the detail of military personnel by cooperative agreements with the service Secretaries, and he is directed to consult with the heads of other departments and agencies on transportation requirements of the Government.

The only actual transfers from the defense sector are certain minor functions of the Army Corps of Engineers more related to civil transportation than to military necessities, such as prescribing regulations for drawbridge operations, designating certain areas of anchorages, determining whether existing bridges obstruct navigation or what vertical and horizontal bridge clearances over waterways are essential, reviewing the reasonableness of bridge tolls in case of controversy, and policing oil and chemical pollution. The total estimated yearly expenditures in connection with these transferred corps functions are only \$500,000 and involve the employment of only about 50 persons.

Administration of the Panama Canal, delegated to the Secretary of the Army, does not come within the purview of the new Department of Transportation.

(7) *Special attention is given to safety functions and the development of techniques and measures for accident prevention.*—A National Transportation Safety Board is created within the Department as an independent entity to determine and report the cause or probable cause of transportation accidents, and to review on appeal the orders of the Secretary or his designees, amending, suspending, modifying, revoking, or denying any certificate or license issued by the Secretary. The Safety Board is further authorized to conduct special studies on matters relating to transportation safety and accident prevention, to insure that accident investigations are fully adequate, to require specific accident investigations to be made, to send its own members or personnel as observers or participants in accident investigations, to require such reports or notifications of accidents as it considers necessary, and to make recommendations to the Secretary on policies, programs, and procedures in the interests of preventing accidents, promoting safety, and insuring the proper conduct of accident investigations.

The Safety Board will be comprised of five members appointed by the President with Senate confirmation, chosen for their competence in this special field, serving 5-year terms and removable only for

⁵ "Interstate Commerce Commission Operations (Railroad Safety)," 25th Report by the Committee on Government Operations, H.R. 1452, 89th Cong., 2d sess., Apr. 27, 1966.

cause. The Safety Board also will have its own budget and its own employees and hearing examiners. It will be truly independent, although for efficient housekeeping it will remain within the Department and draw upon departmental resources in the performance of its duties. It is also authorized to consult and cooperate with State and local agencies. The Congress will receive annual reports from the Safety Board on its performance and its recommendations for legislation.

The committee envisages the National Transportation Safety Board not only as an appeal and review body for determining cause of accidents and reviewing contested license or certification matters but as a key agency for energizing the departmental offices and agencies engaged in accident investigation and prevention work. The four administrations provided in the bill for air, highway, rail, and water transportation, and the Coast Guard, would continue to perform the bulk of the routine accident investigation and to develop safety techniques and measures as authorized and exercised under existing statutes.

(8) *Organizational arrangements are made to preserve the pattern of air accident investigations.*—In aviation, in contrast to marine or rail affairs, there has been established a tradition of having a separate accident investigation staff for certain types of accidents. Because the Federal Aviation Agency sets standards for equipment and crew performance and its personnel are directly concerned with flight operations, it has been considered desirable to have a staff apart from the agency for investigation of fatal aviation accidents.

To preserve this basic pattern, the bill provides for a separate Office of Accident Investigation, which is made specifically independent of the new Federal Aviation Administration. It would also serve as a focal point for investigation of aviation accidents. The Office would house the investigative staff transferred from the CAB and will be charged with the total investigative responsibility. It is expected that investigations of light plane, nonfatal aviation accidents would continue to be carried out by the field staff of the Federal Aviation Administration under delegation from the Secretary. The committee expects that reports of all investigations of accidents made by the Office of Accident Investigation will be sent to the Secretary, the National Transportation Safety Board, and the operating agencies within the Department.

Relationships in air accident investigation then would continue essentially as before: (1) Investigation of fatal or large aircraft accidents would be carried out by a separate staff element (primarily composed of the personnel transferred from the CAB's Bureau of Safety) in the Office of Accident Investigation; (2) as is presently the case under CAB delegation to FAA, investigations of designated categories of nonfatal accidents involving small planes would be carried out by the Department's Federal Aviation Administration field elements; (3) determination of probable cause of accidents would be made by the National Transportation Safety Board, as the CAB does now.

The Office of Accident Investigation, it might be observed, is placed between the review board and the operating element to accommodate the institutional practice of air accident investigation as described above. Without the Office of Accident Investigation,

either the Federal Aviation Administration would be obliged to investigate all accidents, which industry and Government practice does not sanction, or else the accident investigation role would have to be transferred to the National Transportation Safety Board, which then might be dominated by aviation concerns to the exclusion of other safety matters.

The arrangements provided in the bill have the advantages of preserving, to a large extent, the existing pattern of relationships, allowing the Safety Board broad scope for oversight of all transportation safety areas, and allowing the Office of Accident Investigation to concentrate on aviation accidents. While it will be primarily the base of the aircraft accident staff, it seems likely that the office would have a small group concerned with the coordination of accident investigations conducted by the operating components. In other words, this group would recommend to the operating components investigative techniques of proven worth used in each of the transportation modes. It would also help to insure the availability to investigators of appropriate laboratory and other investigative facilities from any of the operating components.

(9) *A staff secretariat is provided to insure full attention to matters which cut across all modes of transportation.*—The bill provides for the Secretary to head the Department, an Under Secretary, four Assistant Secretaries, a General Counsel, and an Assistant Secretary for Administration. All these officials except for the Assistant Secretary for Administration require Senate confirmation as well as Presidential appointment. In keeping with reorganization measures of this nature, and to afford the Secretary flexibility in deploying his staff resources to deal with important or emergent problems, the bill does not tie down the functions of the secretariat by specific statutory language. However, the committee expects that the Assistant Secretaries will be charged with staff areas of responsibility of crucial importance to transportation.

A case in point is research and development. While the operating agencies will be responsible for research and development in their respective areas, to a substantial and growing extent research and development will have to be focused on the techniques and methods relating to safety and performance common to several or all modes. Structural techniques, types of metals, propulsion and navigation systems, packaging and handling methods, noise abatement, the behavior of moving bodies—research and development in these and many other areas often draw upon similar technologies and offer many opportunities for common application. Standardization of containers for moving goods by all modes portends, by itself, a revolution in the transportation industries. In such troublesome areas as aircraft noise abatement, which the committee considers one of the important problems within the research and development area and has been specifically assigned as a duty of the Secretary in the bill, top-level attention will be required.

An Assistant Secretary can be instrumental in coordinating the research efforts of the operating agencies, in stimulating new areas of research, and in making sure that there are no serious gaps or omissions. In a sense somewhat analogous to the Director of Defense Research and Engineering in the Department of Defense, who supervises and

sponsors research standing above the level of the military services, so, in the Department of Transportation, the committee anticipates that there will be an Assistant Secretary for Research and Development, whose concerns will be departmentwide and intermodal.

(10) *Federal investment standards will be developed for balanced progress in transportation.*—Throughout our history, public investment in transportation facilities has been common, often on a massive scale. Inconsistencies in Federal policies governing public investment decisions have been cited repeatedly by analysts and critics in the transportation field. The underlying cause of these inconsistencies appears to be a lack of clear standards for preparation and evaluation of investment proposals.

The Secretary of Transportation would be required to develop standards and criteria, subject to Presidential approval, to be used in the formulation and economic evaluation of proposals for the investment of Federal funds in transportation facilities or equipment. The committee views this authority conferred upon the Secretary of Transportation as a means of obtaining a more rational allocation of Government resources as determined by Federal investment. The analytic tools and statistical information for making such public investment decisions will improve in the years ahead, but the effort springs from the commonsense requirement which the Congress has put upon reclamation and other water resource projects for many years; namely, that the benefits exceed the cost.

Responsibility to develop investment standards for water resource projects now is assigned by law to the Water Resources Council. The Secretary of Transportation would exercise an analogous function in his field. The committee recognizes that since water resource projects may have transportation features, there will be areas of overlap or mutual interest on the part of the Council and the Secretary. Although the bill originally attempted to define the relationship between the two in areas of mutual interest, a committee amendment exempts water resource projects from the Secretary's purview, so far as promulgating standards and criteria is concerned. In executing its own responsibilities, the Water Resources Council is required by Public Law 89-80 to consult with Federal agencies when appropriate. Since the President must approve standards and criteria to be promulgated, whether by the Council or the Secretary, there is nothing in the bill to prevent the President from seeking advice and recommendations from either source in regard to proposed projects in which there is mutual interest.

The exemption of water resource projects reflects the concern of some that in developing investment standards for the transportation features of such projects, the Secretary might alter the procedures for referral of Corps of Engineers reports to the Congress. The committee wishes to make it clear that Corps referral procedures are in no way altered under the bill. To reaffirm congressional prerogatives, the committee has written language into the bill which makes it clear that any policies prescribed by the Congress itself in existing or future acts must be observed by the Secretary in developing standards and criteria for economic evaluation of transportation proposals and projects. And to remove any doubt on that score, the bill provides that the Secretary cannot promulgate investment standards or criteria contrary to or inconsistent with acts of Congress relating to this sub-

ject. Finally, the Secretary is enjoined from adopting or revising a national transportation policy without appropriate action by the Congress.

Besides these safeguards, there are specific exceptions from the Secretary's authority to promulgate standards and criteria for economic evaluation: (1) Procurement of transportation facilities or equipment by Federal agencies in providing transportation for their own use; (2) grants-in-aid programs authorized by law; (3) inter-oceanic canal outside the continental United States; (4) defense features in design and construction of civil transportation; (5) programs of foreign assistance; and (6) water resource projects. The grants-in-aid exception gives added assurance, if any is needed, that the highway trust fund will be administered as the Congress has provided and will not be subject to diversions by any decision of the Secretary.

Before the Secretary presents standards and criteria to the President for approval, he must publish a notice in the Federal Register and provide an opportunity for interested persons to present their views. This requirement also will afford an opportunity for interested congressional committees to inquire into the proposed standards and criteria.

(11) *Existing procedural rights and privileges are safeguarded.*—The committee has taken pains to insure that all procedural rights and privileges authorized in existing law are carried over to the new Department. There is no loss or diminution of procedural safeguards, and all permissible channels for administrative or judicial proceedings are unimpeded. Any orders or actions of the Secretary or of the National Transportation Safety Board are subject to judicial review to the same extent and in the same manner as they would have been in the departments or agencies from which the functions are transferred. Statutory requirements relating to notice, hearings, actions upon the record, or administrative review apply to the new Department. These safeguards are made explicit in section 4(c). The independence of hearing examiners guaranteed by the Administrative Procedure Act also is preserved by subsection 6(h).

Savings provisions in section 12 guarantee that all orders, determinations, rules, regulations, contracts, certificates, and other privileges issued or granted by law or authorized administrative action or judicial decision, shall continue in effect until changed or terminated by similar exercise of lawful authority after the Department is created. Proceedings pending before the transfer are to continue in similar fashion until completed.

The powers and authorities, with respect to functions transferred to the Board, would be the same as now authorized for the agency from which such functions are transferred.

(12) *Certain important transportation matters are left open for future organizational decision.*—The Department of Transportation, as we said earlier, is not a panacea for the transportation ills of the Nation. It will, however, set the framework for a concerted and comprehensive attack on the many transportation problems that must be solved. The variety and complexity of these problems are reflected in the numerous Government organizations and the historic accumulation of statutes which had to be considered in framing the bill for a new department.

The bill reported by the committee is the joint product of careful deliberation by members on a nonpartisan basis and by staff experts in the committee and the executive branch. In public hearings all interested parties were heard, and the committee tried conscientiously in amending the bill to accommodate diverse viewpoints when not in conflict or not contrary to the basic objectives of the bill. Inevitably some compromises were made, and some matters were left open. The committee has not tried to wrap up in one package every conceivable problem or agency in the transportation field.

A prominent case in point is urban mass transportation. The Congress by a recent enactment has assigned Federal functions in this important area to the Department of Housing and Urban Development, which is itself a new department. To shift urban mass transportation responsibilities from one new Department to another, at this early stage would only delay the program. More experience is necessary to decide intelligently whether urban mass transportation, which is intimately bound up with other problems of community growth and development, more logically belongs in HUD or DOT. The President has said he intends, upon the creation of the Department of Transportation, to ask the heads of the two Departments concerned to study and report within 1 year on a logical and efficient organization of urban mass transportation functions. It may well be that these functions will be lodged in the new Department. The committee considers that the President's proposed course is reasonable and that the final organizational decision on urban mass transportation should be deferred.

EXPLANATION OF AMENDMENTS

Other than purely typographical corrections, the following explanation covers all changes made in H.R. 15963 (the reported clean bill) by the committee amendments:

1. A new subsection (d) has been added to section 5 and the subsections that follow have been relettered. The new subsection requires, except as otherwise provided by statute, the National Transportation Safety Board to make public all reports, orders, decisions, rules and regulations that it issues and also to make public every recommendation that it makes to the Secretary, every special study it conducts and every action of the Board requiring the Secretary to take action under section 5. The purpose of the exception is to preserve such statutory provisions as section 1104 of the Federal Aviation Act of 1958 (49 U.S.C. 1504), which requires the Civil Aeronautics Board to withhold information after a written objection to its public disclosure has been made and after the Board finds that such disclosure would adversely affect the interest of the person making the objection and the information is not required in the interest of the public. Section 1104 also preserves the security of classified information, which, of course, would not be made public pursuant to the new section 5(d).

2. The renumbered subsection 5(f) has been amended to provide that the National Transportation Safety Board shall report to the Congress annually on the conduct of its functions and the effectiveness of accident investigations in the Department, together with whatever legislative recommendations it deems appropriate. Without this amendment, section 5(f) would require the Board to make a report

on these subjects after it had been in existence 2 years with an interim report after its first year. The committee believes that the public interest requires that the National Transportation Safety Board issue an annual report on its activities and on the effectiveness of the Department of Transportation in investigating accidents. The possibilities of improvements through legislation should also be considered at least annually.

3. Subparagraphs (6) (A) and (D) of subsection 6(e) have been deleted and the remaining subparagraphs have been relettered. Subparagraphs (A) and (D) would have transferred car service functions of the Interstate Commerce Commission to the Department of Transportation, although related responsibilities for fixing per diem charges were left to the Commission. The committee believes the several car service functions should remain together and be administered by a single agency. Since they bear upon the economic regulatory role of the Interstate Commerce Commission, the committee proposes that they remain in the Commission.

4. The committee voted to drop from H.R. 15963 the two sentences in subsection 7(a) dealing with the Water Resources Council and standards and criteria for economic evaluation of transportation features of water resource projects. Related to this deletion was the committee's action to add "water resource projects" to the list of categories of investment proposals specifically excepted from the authority given the Secretary to develop standards and criteria for Federal investments in transportation facilities or equipment. The effect of these amendments is to remove water resource projects from the Secretary's authority to establish standards and criteria.

The development of standards and criteria for formulating and evaluating Federal water resource projects is an involved and many-sided subject with a long and still evolving history extending as far back as the River and Harbor Act of 1902.⁶ The committee decided, through the above-mentioned amendments, to remove this subject matter from the operation of the bill, feeling, in any event, that its retention was not necessary in order to preserve the purpose and effectiveness of the bill.

Among the factors and circumstances contributing to the committee's decision to adopt the amendments are the following:

(a) The numerous Federal water resource projects involve enormous investments of Federal funds. The projects are constructed by a number of different agencies.⁷ A great many of such projects incorporate transportation features either as principal or incidental works. Congress has always been keenly interested in the policies, standards, and procedures used by these agencies to formulate and evaluate proposed water resource projects prior to their submission for legislative consideration. Many of these policies, procedures, and standards are, in fact, statutory; while others, of administrative origin, reflect basic policies laid down by Congress. The committee recognizes that this is an area with which not merely the Government Operations

⁶ See historical summary in hearings, app. 3, attachment A, p. 325.

⁷ The Department of the Army (Corps of Engineers), the Department of the Interior (Bureau of Reclamation), the Tennessee Valley Authority, the Department of Agriculture, and the U.S. Section, International Boundary and Water Commission, United States and Mexico. The two major agencies, the Corps of Engineers and the Bureau of Reclamation, had fiscal year 1966 appropriations for investigation and construction of water resource projects exceeding \$1.2 billion.

Committee, but other committees of Congress are deeply concerned.

(b) H.R. 15963, as introduced, would have directed the establishment by the Secretary of Transportation of economic standards and criteria for the evaluation of transportation features of water resource projects, with the requirement that they be compatible with the standards and criteria for nontransportation features of such projects. H.R. 15963 would, in effect, have split off transportation features of water resource projects from other features and given them a separate status.

At present, all Federal water development projects are being formulated and evaluated in accordance with policies, standards and procedures promulgated by the President in May 1962 (printed as S. Doc. No. 97, 87th Cong.). However, under the Water Resources Planning Act of July 22, 1965 (Public Law 89-80), the Water Resources Council was created comprising the Secretaries of the Interior, the Army, Agriculture, and Health, Education, and Welfare as well as the Chairman of the Federal Power Commission. One of the Council's chief duties under the 1965 act is to establish "principles, standards, and procedures for Federal participants in the preparation of comprehensive regional or river basin plans and for the formulation and evaluation of Federal water and related land resources projects." The Council has not yet established such principles, standards and procedures. Of course, how these might follow or depart from those of Senate Document No. 97 cannot now be ascertained.

(c) Reorganization Plan No. 2 of 1966 transferred certain water pollution control functions from the Secretary of Health, Education, and Welfare to the Secretary of the Interior. This plan became effective May 10, 1966. While the Secretary of Health, Education, and Welfare retains some public health functions concerning this subject matter, most of his former functions relating to water pollution prevention, control, and abatement are now vested in the Secretary of the Interior. Thus the role of the Secretary of the Interior on the Water Resources Council is to that extent enhanced.⁸ Furthermore, the President has appointed the Secretary of the Interior as Chairman of the Council.

The committee, therefore, notes with particular interest a position taken by the Department of the Interior in its report to us on H.R. 13200. This report, signed on June 20, 1966, addresses itself to the language of subsection 7(a) as proposed in H.R. 13200. It states the Department's belief that subsection 7(a) conflicts with section 103 of the Water Resources Planning Act of 1965. It suggests that the standards and criteria for economic evaluation of transportation features of a water resource project should be established by the Water Resources Council after consultation with the Secretary of Transportation, rather than the reverse procedure provided in H.R. 13200 whereby the Secretary of

⁸ On July 2, the President, in Executive Order No. 11288, required the Secretary of the Interior to review all proposals for the authorization or construction of any Federal water resources development project for consistency with the general standards for water pollution prevention control and abatement set forth in the Executive order (31 F.R. 9261, July 7, 1966). A prior Executive order (No. 11258, Nov. 17, 1965) by which the Secretary of Health, Education, and Welfare had been assigned that responsibility was expressly superseded by Executive Order No. 11288.

Transportation would establish the standards and criteria after consultation with the Water Resources Council.

(d) The committee has been informed that the Committee on Public Works of the House of Representatives is now considering whether to hold hearings dealing with the evaluation of benefits in connection with inland waterway projects.

5. Section 9(o)(1) which authorizes the Secretary to make special statistical studies upon the written request of any person, State, territory, possession or political subdivision upon the payment of the actual cost of the work has been amended to make it absolutely clear that the only work authorized by this provision is the making or preparation of special statistical studies and the furnishing of transcripts of studies, tables, and other records. The authority given to the Secretary under 9(o)(1) does not, of course, derogate from any other authority he may have pursuant to laws transferred to his jurisdiction by H.R. 15963.

PRINCIPAL DIFFERENCES BETWEEN H.R. 13200 AND H.R. 15963 AS REPORTED

H.R. 15963 represents an extensive revision by the subcommittee, of H.R. 13200, the bill originally introduced to carry out the President's recommendation that a Department of Transportation be created. In a number of instances subsections have been moved intact to provide a more appropriate grouping of subject matters. In other cases the language has been improved and clarified without making substantive changes. For example, a number of subsections originally in section 4 have been moved to other sections and section 6 has been revised to set out a clear grouping of the functions transferred to the new Department and to add, where appropriate, United States Code citations to the statutory citations given in the original bill.

The changes made by the committee amendments to H.R. 15963 are discussed in the preceding part of this report.

In addition, H.R. 15963 makes a number of other substantive changes in the original bill which are described below:

1. A new subsection 3(e) requires the Secretary to establish within the Department a Federal Highway Administration, a Federal Railroad Administration, a Federal Maritime Administration, and a Federal Aviation Administration, each Administration to be headed by an Administrator appointed by the President by and with the advice and consent of the Senate. The Administrators shall report directly to the Secretary and have such powers and duties as he may prescribe. The Coast Guard with its Commandant, would remain a separate unit in the Department.

It is contemplated that the Administrators and the Commandant will serve as line officers, in a direct chain of command from the Secretary, with the responsibilities for carrying out assigned functions relating to their particular modes transferred to the Department by the bill. This would not include, of course, functions placed in the Office of Accident Investigation by subsection 3(f) or placed in the National Transportation Safety Board by section 5. The administration of the Secretary's functions with respect to pipeline safety would be carried out as prescribed by him.

2. A new subsection 3(f) has been added to require the Secretary to establish an Office of Accident Investigation which shall be indepen-

dent of the Federal Aviation Administration. Among its duties, the Office is required to investigate aviation accidents in accordance with rules and regulations prescribed by the Secretary.

The primary purpose of establishing the Office of Accident Investigation is to provide an independent unit within the Department to carry out the aviation accident investigation function now performed by the Bureau of Safety of the Civil Aeronautics Board.

3. Language has been added to subsection 4(a) to place specific responsibility on the Secretary of Transportation to promote and undertake research and development on transportation noise abatement with particular attention to aircraft noise. While the committee refrains from a statutory delineation of the exact organization the Secretary is to use to carry out this function, it expects the Secretary to make the abatement of aircraft noise a matter of major concern to the new Department. Administration witnesses concurred in this view of the seriousness of this problem.

4. A basic premise that has guided the committee in its deliberations is that this legislation should not change the relationship between the legislative and the executive branches of the Government in transportation matters. For example, it is the committee's intent that national transportation policies be adopted only through congressional action. Standards and criteria for proposals relating to the investment of Federal funds in transportation equipment and facilities must be consistent with congressionally adopted national transportation policies and cannot be contrary to or inconsistent with relevant statutes.

H.R. 15963 includes a number of changes from the earlier bill, H.R. 13200, to make this intent crystal clear.

(a) In subsection 4(a) the responsibility of the Secretary to "develop national transportation policies and programs, and make recommendations for their implementation" has been modified by requiring the recommendations to be made to the President and to Congress. As will be seen in the next paragraph, this does not give the Secretary or the President power to adopt or change a national transportation policy without legislative approval and does not change the traditional role of the executive and legislative branches. Before action by Congress, the language contemplates that the Secretary would make recommendations to the President and to the Congress for legislative action; after Congress has acted, the Secretary will be responsible for implementation of the congressionally adopted policies.

(b) A new subsection 4(e) has been added reading:

Nothing in this Act shall be construed to authorize, without appropriate action by Congress, the adoption or revision of a national transportation policy. Nor shall the Secretary promulgate investment standards or criteria pursuant to section 7 of this Act which are contrary to or inconsistent with acts of Congress relating to standards or criteria for transportation investment.

The first sentence prohibits the executive branch from adopting or revising a national transportation policy without congressional action. The second sentence relates to section 7 of the bill which provides, in somewhat limiting detail, the manner in which and the extent to which the Secretary may, with the approval of the President, prescribe

standards and criteria for the investment of Federal moneys in transportation facilities and equipment. These may not be contrary to or inconsistent with any statutory standards, and under section 7 must be consistent with national transportation policies.

(c) A further safeguard is provided by adding the following language to subsection 7(a):

The Secretary shall at a time selected by him, prior to the presentation of standards and criteria to the President for approval, publish a notice of proposed standards and criteria in the Federal Register and provide an opportunity for interested persons to present their views on them.

This clause will provide time for both the public and the Congress to review proposed standards and criteria and to make their views on them known before the Secretary sends them to the President for approval. Congressional committees concerned would have an opportunity to initiate hearings or other actions if deemed appropriate.

5. Subsection 4(a) has been further amended by adding to the responsibilities of the Secretary that of consulting "with the heads of other Federal departments and agencies on the transportation requirements of the Government." Since the Federal Government is the Nation's biggest user of transportation, the actions taken by Federal agencies in meeting their own transportation needs can have a great impact on promoting and coordinating the development of the various modes of transportation. The added language would permit the Secretary of Transportation to lead and advise other Federal agencies in meeting their own transportation needs without giving the Secretary an absolute veto power over their activities.

6. The following sentence has been added to subsection 4(c):

Any statutory requirements relating to notice, hearings, action upon the record, or administrative review that apply to any function transferred by this Act shall apply to the exercise of such function by the Secretary or the National Transportation Safety Board.

The purpose of this section is to preserve in the new Department the applicability of the Administrative Procedure Act and of similar statutory provisions that now apply to the transferred functions. The first sentence of subsection 4(c) preserves the right of judicial review.

7. The authority of the National Transportation Safety Board, established by section 5 of the bill, has been strengthened in a number of respects. This Board which, in the exercise of its functions, powers, and duties, is independent of the Secretary and other officers and offices of the Department, has as its principal functions (i) the determination of cause or probable cause of transportation accidents and the reporting of the facts relating to such accidents and (ii) the review on appeal of the suspension, amendment, modification, revocation or denial of any certificate or license issued by the Secretary. In addition to the authority originally contained in H.R. 13200, H.R. 15963 authorizes the Board to:

(a) Conduct special studies on matters pertaining to safety in transportation and the prevention of accidents;

(b) Insure that investigative reports of accidents are adequate and, where additional information is needed, to require the Secretary to conduct further investigations or take other measures as the Board may require to develop all the facts and circumstances surrounding the accident;

(c) Require the Secretary to initiate specific accident investigations;

(d) Arrange for the personal participation of members or other personnel of the Board in accident investigations conducted by the Department;

(e) Require the Secretary to give it notice of transportation accidents and reports of accidents to the extent the Board deems necessary;

(f) Employ its own hearing examiners; and

(g) Use the available services, equipment, and personnel of the Department of Transportation and of other civilian or military agencies and instrumentalities of the Federal Government and, to the extent that such cooperation is forthcoming, to utilize the cooperation, services, records, and facilities of State and local governmental agencies.

In addition, the new bill changes the proposed salary level of the Chairman of the Board from executive level V to executive level IV and the members of the Board from GS-18 to executive level V. This will enable the President to appoint better qualified members and will place the National Transportation Safety Board on a par with several other independent boards. Finally, the new language requires the Board to report to Congress annually on the conduct of its functions under the act and on the effectiveness of accident investigations in the Department and to make whatever recommendations for legislation the Board deems appropriate.

8. A new paragraph (2) has been added to subsection 6(c) to make it clear that the bill does not limit the existing statutory power of the President in the event of war, to transfer functions now exercised by the Federal Aviation Agency to the Department of Defense.

9. A subsection (h) has been added to section 6 to make it clear that certain powers and duties vested by the Administrative Procedure Act directly in hearing examiners will continue to be so vested in them in the new Department.

10. A specific exception of "grant-in-aid programs authorized by law" has been written into subsection 7(a) which deals with the development of standards and criteria for the formulation and evaluation of proposals for investment of Federal funds in transportation facilities or equipment. This removes from the operation of the section such matters as the Interstate Highway System, including the highway trust fund, and Federal grants to local entities for airport purposes. These programs are being excepted to make clear that there is no intention to change the scope or direction of the basic legislative purpose of such programs. In authorizing these programs, Congress either prescribes the general character of the system to be financed or provides a formula for allocating the funds, or both. The Secretary would supervise these programs as the head of the Department which administers them.

It should be noted that the exception relates to existing grant-in-aid programs and to new ones after they have been enacted by Con-

gress. It would not prevent the executive branch from following standards and criteria promulgated by the Secretary and approved by the President in formulating any new legislative proposals.

11. Subsection 7(a) of H.R. 13200 provided that there should be consultation between the Secretary and the Water Resources Council with respect to standards and criteria for economic evaluation of the transportation features of multipurpose water resource projects and that these standards and criteria should be compatible with those applicable to nontransportation features of such projects. This provision was deleted by the committee. In a related change, the committee added in subsection 7(a) a sixth category to the list of excepted categories of investment proposals; namely, water resource projects. Further discussion of the changes may be found supra under the heading "Explanation of Committee Amendments."

12. Subsection 7(b) has been changed to provide that among the data supplied by the Secretary to be used by Federal agencies in formulating individual proposals or projects shall be information regarding the general effect of the proposed investments on the overall transportation system of the area. The purpose of this change is to require that a broad view be taken of the overall transportation system and needs of an area in formulating plans for Federal investment in transportation projects relating to it.

13. Section 7(b) has also been amended to eliminate the requirement that all individual projects and proposals for Federal investments in transportation be channeled automatically through the President. Instead, the bill would now require the agency, after securing the necessary clearances, to transmit the plan for disposition in accordance with law and with procedures established by the President. This change is designed to preserve the direct transmission of projects from an agency to Congress where it may now be required by law, and to eliminate the requirement that the President give consideration to thousands of individual plans, proposals, and projects.

14. In section 9 the provision in H.R. 13200 for an additional 45 supergrade positions (i.e., grades 16, 17, and 18 of the general schedule) in the executive branch has been eliminated. The committee recognizes that additional supergrade positions are required for the new Department but believes the necessary authorization should be handled in separate legislation authorizing an overall increase in the number of supergrade positions in the executive branch.

COMMENT ON OBJECTIONS MADE TO DEPARTMENT OF TRANSPORTATION BILL

The committee heard the administration witnesses in favor of the Department of Transportation bill and heard testimony and received statements from all persons who wished to present their views on the legislation. The overwhelming weight of the testimony, both of the administration witnesses and of others, was in favor of the legislation. Some objections, however, were raised regarding some parts or details of the bill and a few witnesses opposed the legislation entirely.

The committee, of course, disagrees completely with those who oppose the creation of a Department of Transportation. The committee's basic views are set out in the part of this report entitled "Committee Position on the Bill." Some of the bill's opponents did

not seem to realize the full scope of the new Department's responsibilities. For example, some argued that transportation safety did not require a department for coordination purposes; others stated that coordination could be achieved by some other means.

The committee believes that these opponents do not fully appreciate the Nation's needs and the problems that lie before us. Transportation as a social force, as an economic factor, and as an element of our national security is so important, and the Federal Government's role in transportation is of such magnitude, that it clearly warrants Cabinet status. Only such status will assure that it receives the full-time attention of an official at the highest councils of Government. When the same situation has existed in the past for other fields of Government service, executive departments have been created. In addition, the Department of Commerce has other responsibilities of great magnitude which require knowledge and talents different from those involving transportation.

Only with such an organization can there be an effective framework—and this is the real justification for the Department—to coordinate the principal existing programs that promote transportation; bring new technology to a total transportation system by promoting research and development in cooperation with private industry; improve safety in every means of transportation; encourage private enterprise to take full and prompt advantage of new technological opportunities; encourage high-quality, low-cost service to the public; conduct systems analyses and planning to strengthen the less effective parts of the Nation's transportation system; and develop investment criteria and standards and analytical techniques to assist all levels of government and industry in their transportation investments.

On the other hand, some of the objections raised and fears expressed regarding details of the bill, the committee felt, may have some merit. Consequently, in preparing the clean bill, H.R. 15963, and in adopting amendments to it, the committee has written in language to take care of such objections and fears even though in some cases the committee does not agree that they were fully warranted by the language of the original bill (H.R. 13200). These changes are described fully in the parts of this report entitled "Explanation of Committee Amendments" and "Principal Differences Between H.R. 13200 and H.R. 15963 as Reported." For example:

(a) Fears that the relationship between the legislative and executive branches in transportation matters might be altered by the bill probably were somewhat exaggerated. Nevertheless, the committee has made several changes to alleviate such fears. These are discussed in detail under item 4 on page 19, *supra*.

(b) Fears that section 7 of the bill might in some way authorize violation of the highway trust fund have been taken care of by specifically eliminating Federal grant-in-aid programs authorized by law from the scope of section 7. Since the highway trust fund is an element of a grant-in-aid program, the Secretary will not be able to promulgate standards and criteria affecting the fund.

(c) Fears that the Secretary might in some way impede the development of water resource projects have been taken care of by eliminating water resource projects from section 7 of the bill and by preserving the direct reference of project proposals from the Corps of Engineers to the Congress. These actions are discussed on pages 16 and 22, *supra*.

(d) Adequate representation for each of the major modes of transportation in the Department has been assured by the creation of four separate modal administrations each to be headed by an Administrator appointed by the President, by and with the advice and consent of the Senate. The committee has been assured that the heads of the four modal administrations will be placed on a level equal at least to that of an Assistant Secretary. The four Administrators, under the bill, must report directly to the Secretary.

(e) Objections that the transfer of car service functions to the new Department would involve it too deeply in the economic regulatory aspects of railroad rate regulation have been met by deleting the railroad car service functions from those transferred to the new Department.

(f) Fears expressed by some witnesses that the aviation accident investigation function may be weakened in the new Department have led to the statutory creation of an Office of Accident Investigation which is required to be completely independent of the Federal Aviation Administration and to the strengthening of the National Transportation Safety Board by giving it power to require the Secretary to perform certain acts and giving it additional power of its own. These changes are described on pages 10 and 20, *supra*.

There were, of course, some objections which the committee believes should not be met. Some of these are listed below with the reasons why the committee believes the objections are not persuasive:

(a) It has been urged that the Maritime Administration be established as an independent agency completely separate from the Department of Transportation and that the Coast Guard be left in the Treasury Department. The committee believes that this would not only controvert the basic purpose of the bill, but also would be a serious mistake for the maritime industry. The maritime phase of our transportation system does not exist alone and by itself.

With very few exceptions, the transportation of the goods which are carried in ships neither begins nor ends at the docks. Exports are crated and shipped or shipped in bulk from points within the United States to the dockside and imports are brought from the docks to their points of consumption within the country. Studies and work on the improvement of transportation must encompass the complete flow of these goods through the national channels of transportation. The elimination of one essential element would lead to gaps in the job that has to be done. It is obvious that such objectives as uniform packaging and crating and the most efficient inland transportation can only be achieved through close coordination with the maritime industry. In addition, we believe that when the problems of all other modes of transportation are being put under a Department whose purpose is to foster their growth, improve their efficiency and strengthen them economically, any major phase of our transportation industry which is left out of this Department would suffer because it would not have the same vigorous Cabinet-level push behind it.

So far as the Coast Guard is concerned, while it has a traditional link to the Treasury Department, its primary civil functions relate to maritime and to some extent air transportation. Now that a separate Department of Transportation is being set up, that Department is the logical home for the Coast Guard which, under the bill, would still remain as a separate unit in its present form.

(b) Some witnesses advocated that the Federal Aviation Agency remain as an independent agency outside the Department of Transpor-

tation and that the safety functions of the Civil Aeronautics Board remain with the Board or be transferred to a completely independent National Transportation Safety Board. The committee believes that the National Transportation Safety Board should not be made a completely separate agency. Under the bill it is in the Department primarily for housekeeping services and is empowered to require the Department to carry on investigations and to do other work for the Board. The provisions of the bill assure that the Board will be truly independent and will have ample authority to require complete and thorough investigations (see p. 20, supra).

To create the Board as an entity completely separate from the Department would be to create another agency exercising transportation functions. The committee believes that a separate Board would be much more costly and, in fact, much less effective than the type of organization proposed in H.R. 15963.

Nor is fear for the effectiveness of the functions now carried on by the Federal Aviation Agency justified. The Federal Aviation Administration is established in the new Department as one of its major components headed up by a high level Presidential appointee. There is no reason to believe that the aviation functions will be carried on less effectively in the new Department but, with Cabinet-level backing, should become more effective. Since transportation safety will be a primary concern of the Department of Transportation the committee believes that the administrative machinery for promoting transportation safety in all modes of transportation should be encompassed within the Department.

The benefits of the new organization for air safety do not stem from a need to repair present deficiencies. Rather, it offers an opportunity to bring about even greater effectiveness through broader based research, pooling of facilities, and cross fertilization of ideas and investigative techniques. While each of the modes has unique characteristics, accidents in various forms of transportation have common elements. Since transportation involves motion and the movement of people and property in vehicles of different types, accidents vary in accordance with the degree of impact and other deceleration forces involved. Similarly, the construction of vehicles, the types of materials used, as well as structural techniques and the nature of effective restraining devices for the vehicle, for the passenger, and for property transported, relate directly to the nature of injuries and damage and the possibility of preventing them. A sustained effort to identify the common elements among modes of transportation and their bearing on safety in all modes, will spread the benefits of improved safety programs much more rapidly than would otherwise be possible. It should be possible in a single department to integrate research with respect to the common facets of accidents, not only involving structures and materials but particularly those involving human factors.

The present CAB Bureau of Safety staff should be more effective, rather than less, in the Department of Transportation. It will continue to be independent of FAA operating activities and will be able to draw on the resources of the entire Department for facilities and research. Important new safety developments from whatever source will be quickly available to the aviation investigation unit.

COSTS AND ECONOMIES OF THE NEW DEPARTMENT

Establishing a new Department of Transportation will result in some additional dollar costs. However, these costs will be rapidly offset and eventually outweighed by sizable Government economies and other dollar benefits flowing to State and local governments and to the private sector. To make precise estimates of these costs, savings, and benefits is difficult. However, the Bureau of the Budget has provided certain data, both general and specific.

COSTS

The new Department will be one of the largest. It will have approximately 100,000 civilian and military employees. It will be necessary to set up a departmental headquarters organization to preside over and direct an operation of this magnitude. On the basis of the management concept now envisaged for the Department and the experience of comparable existing departments, the necessary headquarters organization will require an added annual expenditure of from \$4 to \$5 million.⁹

The concept of organization and management contemplates the Secretary's Office (including the Under Secretary and the Assistant Secretaries) doing only those things which are required for the effective performance of the policy, programing, and overall managerial functions of the Department. Everything which it is practicable to have done in the operating elements will be performed at that level on a decentralized basis.

Examples of functions customarily performed within a department level organization are those of a budget office, a personnel office, a planning office, an information office, an internal audit group, etc. Also, within the Department of Transportation, assistance at the secretarial level would be required in connection with the Secretary's responsibilities to bring together and evaluate information identifying the national transportation needs, to develop and recommend national transportation policies and supervise the implementation of approved policies, to coordinate related transportation programs, and to foster cooperation with Federal, State, and local governments and with the transportation industry, labor, and other parties concerned with an effective national transportation system.

Assisting those carrying out the above functions will, of course, be a number of clerical and administrative personnel.

ECONOMIES

Budgetary economies will be realized quite rapidly after formation of the new Department through consolidating administrative operations and improving cooperation among the various transportation elements within the Department. Moreover, the development of sounder transportation programs and the resultant improved transportation system of the Nation will provide to our shippers and travelers savings of great magnitude.

⁹ The appendix to the U.S. budget for fiscal year 1967 contains the following estimates: The Department of Agriculture (82,850 employees), under the heading "General Administration," lists net permanent positions numbering 705 at a total net salary of \$5,966,000. The Department of the Interior (59,500 employees), under the heading "Secretarial Offices" shows net permanent positions of 414 at a total net salary of \$4,948,000.

The Bureau of the Budget now believes that budgetary savings directly attributable to the establishment of the Department should offset the net costs of establishing the Secretary-level organization within 2 to 3 years after the Department is created. The Bureau has described in some detail the potential operating economies which can be expected to occur as a result of forming a Department of Transportation. The description, furnished under date of June 23, 1966, is as follows:

Potential Economies in the Department of Transportation

Automatic data processing

Agencies to be transferred to the Department are currently using 44 computers at 21 different cities throughout the United States. A preliminary survey of ADP activities indicates that there are potential savings of \$221,000 which might be achieved within 2 years. These savings would come from the transfer of work now performed by contractors to in-house computer facilities and from making more effective use of existing computers.

Further annual savings, estimated at \$400,000, are possible after a period of about 2 years. These might develop through consolidation of Washington headquarters computers into a departmental data processing center and centralization of personnel and payroll data processing functions.

Other long-term improvements in computer usage appear to offer major opportunities for economies. Possible use of FAA Air Route Traffic Control Center reserve computer capacity is several years away but such use, if feasible, would eliminate the need for many smaller computers. All of these possibilities require in-depth study. A preliminary review indicates possible savings, from long-term projects, of up to \$1,670,000 per year.

Aircraft maintenance

FAA and Coast Guard aircraft fleets total about 270 aircraft with annual maintenance costs of over \$38 million. At present the savings in terms of consolidated or cooperative maintenance services are limited because there is little commonality of aircraft type between the two fleets. Over the years, as the fleets are modernized, it may be possible to develop a higher degree of commonality thereby increasing the opportunities for savings in both procurement and maintenance.

Training

Coast Guard, Maritime Administration, and FAA all have sizable field training facilities, some of which are not now being fully utilized. Sharing of such facilities should reduce travel and per diem costs. Some technical equipment (for example, flight training and electronic maintenance training equipment) can be utilized by more than one element of the Department. Effective use of existing classroom facilities alone should result in large savings as compared to the lease or purchase of additional training facilities.

Logistics

The greatest potential for savings in the logistics area appears to lie in increased cooperation in the efforts to support Coast Guard and FAA activities. Depending on how the Department is finally

organized there are potential economies in the consolidation of policy and systems staffs and operational staffs in the logistic function. Each agency now has geographically dispersed procurement offices and in several cities these are duplicated. A consolidated or cooperative procurement system should produce savings. There also appear to be possibilities for better utilization of factory inspectors, price analysis specialists and equal employment opportunity compliance personnel. Another area of potential saving is the combination or cross utilization of services in electronic repair, assembly and fabrication.

FAA and Coast Guard are now exploring in some detail the possibilities of improved and more efficient logistic aircraft flight operations, particularly in the Pacific Ocean area.

Research and development

There will be many opportunities for mutual support and more effective use of expensive equipment and scarce skilled manpower. For example:

Bureau of Public Roads capability in materials analysis may support FAA work in the design of airport facilities.

FAA's and the Coast Guard's substantial investment in electronic equipment used in developing navigation aids is useful to both agencies.

Human factors medical research now being carried out by FAA should have substantial applicability in highway safety.

FAA special medical research facilities which include much under-utilized capacity can be used in cooperation with other elements of the Department, especially in highway safety.

Printing

The FAA headquarters has an authorized departmental printing plant. The plant has the capacity to meet the printing needs of the entire Department with little or no additional equipment. It should be possible to provide better service to elements of the Department at reduced cost because of the efficiency of higher volume production.

Photographic capability

The Federal Aviation Agency has a completely equipped photo laboratory which can meet all the requirements of the Department without procurement of additional equipment and with only minimal additions to the staff. The lab should be able to meet all departmental needs with high quality production at low cost.

Other common support services

The Department of Transportation bill contains a provision authorizing a revolving fund type operation to provide support services to the various elements of the Department. The size of the requirements for services which the Department will generate should permit provision of such services on a much more economical scale than is now possible. In addition to printing and photographic services it should be possible to provide lower cost support in such areas as office equipment repair, forms supply and distribution, visual aids, employee health services, telecommunications, technical security inspections, and mail and messenger service.

SECTION-BY-SECTION ANALYSIS OF H.R. 15963

Section 1. Short title

This section provides that the bill may be cited as the "Department of Transportation Act."

Section 2. Declaration of purpose

The Congress finds that a Department of Transportation is necessary in order to (1) provide leadership in identifying and solving transportation problems; (2) develop and recommend national transportation policies and programs which will provide fast, safe, efficient, and convenient transportation at the lowest cost possible; and (3) assure the coordinated, effective administration of the transportation programs of the Federal Government.

The Congress further finds the need for such a department to stimulate technological advances and to facilitate the development and improvement of transportation service by private enterprise. In accomplishing these objectives the Department is to consider fully the needs of the public, users, carriers, industry, labor, and the national defense.

Section 3. Establishment of Department

Subsection (a) of this section establishes a new executive department known as the Department of Transportation (hereafter referred to as the "Department"), headed by a Secretary of Transportation (hereafter referred to as the "Secretary"). Subsections (b), (c), and (d) provide for the appointment in the Department of an Under Secretary of Transportation, and of four Assistant Secretaries, a General Counsel, and an Assistant Secretary for Administration.

Subsection (e) directs the Secretary to establish within the Department a Federal Highway Administration, a Federal Railroad Administration, a Federal Maritime Administration, and a Federal Aviation Administration, each of which is to be headed by an administrator reporting directly to the Secretary and having such duties and powers as the Secretary may prescribe.

All of the officers provided for in this section would be appointed by the President, by and with the advice and consent of the Senate, except for the Assistant Secretary for Administration who will be appointed by the Secretary with the approval of the President. The Commandant of the Coast Guard would be appointed by the President under 14 U.S.C. 44. It is the committee's understanding that the Administrator of the Federal Aviation Administration will be placed at level III of the Federal Executive Salary Schedule and the other three administrators will be placed at level IV.

Subsection (f) directs the Secretary to establish an Office of Accident Investigation, independent of the Federal Aviation Administration, which will, among its duties, investigate aviation accidents.

Section 4. General provisions

Subsection (a) of this section provides that the Secretary in carrying out the purposes of this bill shall, among his responsibilities, exercise leadership under the direction of the President in transportation matters, including those affecting the national defense and those involving national or regional emergencies; develop national transportation policies and programs, and make recommendations to the

President and Congress for their implementation; promote and undertake development, collection, and dissemination of technological, statistical, economic, and other information relevant to domestic and international transportation; promote and undertake research and development relating to transportation, including noise abatement, with particular attention to aircraft noise; and consult with the heads of other Federal departments and agencies on the transportation requirements of the Government.

Subsection (b) directs the Secretary to give full consideration to the need for operational continuity of the functions transferred to him by the bill, to the need for effectiveness and safety in transportation systems, and to the needs of the national defense.

Subsection (c) preserves the same rights to judicial review of actions of officers or agencies to whom functions are transferred by the bill as existed with respect to the actions of the officers or agencies from which the functions were transferred. Likewise, statutory requirements relating to notice, hearing, action on the record, and administrative review with respect to functions transferred by the bill remain applicable after transfer. Subsection (d) gives the Secretary the same authority with respect to transferred functions as the agency from which they were transferred possessed at the time of transfer. His actions with respect to transferred functions will have the same force and effect as when exercised by the agency from which transferred.

Subsection (e) makes clear that the bill does not authorize (without appropriate congressional action) the adoption or revision of a national transportation policy. The Department will be expected, of course, under existing laws to carry out its functions, including the appearance before transportation regulatory agencies as appropriate, and the implementation and coordination of the transportation programs within its jurisdiction in a manner consistent with transportation laws. In addition, the Secretary is prohibited from promulgating under section 7 of the bill any criteria or standards for transportation investments by the United States which are inconsistent with the laws relating to standards or criteria for such investments.

Section 5. National Transportation Safety Board

Subsection (a) establishes the National Transportation Safety Board.

Subsection (b) vests in the Board the functions, powers, and duties transferred by section 6 with regard to (1) determining the cause or probable cause of transportation accidents and reporting the facts of such accidents; and (2) the review on appeal of actions by the Department suspending or otherwise changing certificates or licenses issued by the Secretary.

Subsection (c) authorizes the Board to (1) make recommendations to the Secretary which will tend to prevent transportation accidents; (2) conduct special safety studies; (3) require the Department to conduct further investigations or to take other measures in cases before the Board to determine cause where additional information is needed and to insure that all facts and circumstances have been developed; (4) make recommendations to the Secretary concerning transportation safety policies and rules, regulations, and procedures for the conduct of accident investigations; (5) require the Secretary to initiate whatever accident investigations the Board deems necessary;

(6) arrange for the participation by members or other personnel of the Board in accident investigations as observers or otherwise; and (7) require from the Secretary whatever copies of notices or reports of accidents, made to or by the Department, which the Board deems necessary.

Subsection (d) requires, except as otherwise provided by statute, the National Transportation Safety Board to make public all reports, orders, decisions, rules and regulations that it issues and also to make public every recommendation that it makes to the Secretary, every special study it conducts and every action of the Board requiring the Secretary to take action under section 5.

Subsection (e) provides that the Board will be independent of the Secretary and the rest of the Department, and directs the Board to give full consideration to section 4(b) of the bill (relating to operational continuity of functions transferred, etc.).

Subsection (f) directs the Board to make an annual report.

Subsections (g), (h), (i), and (j) provide that the Board is to consist of a chairman and four other members who will be appointed by the President, by and with the advice and consent of the Senate, for staggered five-year terms (except in the case of the initial appointees), and who may be removed by the President for cause. The chairman will be the chief executive and administrative officer of the Board and will be compensated at level IV of the Federal Executive Salary Schedule. The other members will be compensated at level V.

Subsection (k) authorizes the Board to establish rules, regulations, and procedures to carry out its functions. Subsection (l) provides that in carrying out its functions the Board will have the same powers as the Secretary with respect to holding hearings, issuing subpoenas, and certain other matters.

Subsection (m) gives the Board certain powers of delegation, subject to the provision of the Federal Aviation Act of 1958 that the Federal Aviation Agency (the functions of which are transferred to the Secretary) not participate in determinations of probable cause of aviation accidents by the Civil Aeronautics Board (the accident-cause-determination functions of which are transferred to the Board).

Subsections (n) and (o) authorize the Board to employ personnel, subject to the civil service and classification laws, to utilize other agencies of the Government, and to cooperate with State and local agencies.

Section 6. Transfers to Department

This section contains the principal provisions of the bill transferring certain transportation functions of Federal officers and agencies to the Secretary. The analysis of this section gives a general description of the functions transferred. A more detailed description appears in the technical addendum appearing on page 59.

Subsection (a) of this section transfers to the Secretary functions of the Secretary of Commerce relating to highways and bridges, ground transportation, aviation loan guarantees and war risk insurance, Great Lakes pilotage service, and the merchant marine (including the granting of construction and operating-differential subsidies).

Subsection (b) transfers the Coast Guard to the Department, and transfers to the Secretary the duties of the Secretary of the Treasury which relate to the Coast Guard. The power of the President to

transfer the Coast Guard to the Navy in time of war is retained. The functions of the General Counsel for the Department of the Treasury under the Uniform Code of Military Justice are transferred to the General Counsel of the Department.

Subsection (c) transfers the functions of the Federal Aviation Agency to the Secretary. Under existing law the President has power in time of war to transfer functions of the Federal Aviation Agency to the Department of Defense. This power is retained in the bill.

Subsection (d) transfers to the Secretary the functions of the Civil Aeronautics Board relating to aviation safety.

Subsection (e) transfers to the Secretary certain functions of the Interstate Commerce Commission concerning (1) railroad safety laws relating to train equipment, accident reporting, safety and signal devices, train brakes, and hours of service of employees; (2) motor carrier safety laws relating to qualifications of drivers, parts and accessories necessary for safe operation, hours of service of drivers, inspection and maintenance of vehicles, and accident reporting; (3) the transportation of explosives and other dangerous articles by rail carrier, motor carriers, freight forwarders, and pipe-line carriers (except natural gas); (4) medals for heroism; (5) standard time zones and daylight saving time; and (6) other functions relating to private carriers of property by motor vehicle and carriers of migrant workers by motor vehicle (other than contract carriers).

Subsection (f)(1) makes clear that subsection (e) will not diminish the functions of the Commission under provisions of the Interstate Commerce Act not specifically mentioned in subsection (e). Paragraph (2) of subsection (f) gives the Secretary in carrying out the substantive functions transferred to him by subsection (e) the same administrative powers under the Interstate Commerce Act as the Commission possessed before the transfer. After the transfer, the Commission may exercise its administrative powers under the Interstate Commerce Act only in carrying out functions not transferred to the Secretary.

Subsection (g) transfers to the Secretary certain functions of the Secretary of the Army relating to anchorages, drawbridge operating regulations, obstructive bridges, reasonableness of tolls, oil pollution at sea, and location and clearance of bridges.

Subsection (h) is a technical provision relating to hearing examiners.

Section 7. Transportation investment standards

Subsection (a) authorizes the Secretary to develop standards and criteria for the formulation and economic evaluation by the executive branch of its proposals for the investment of Federal funds in transportation facilities or equipment. Such investment is intended to comprise the financing by the Federal Government of capital goods such as durable facilities and equipment used by private industry in providing transportation for the public or directly by the general public in providing its own transportation. Proposals exempt from these standards and criteria are those concerned with (1) acquisition of capital goods by the Government for its own use, such as military aircraft, or mail trucks; (2) authorized grant-in-aid programs, such as airport construction and highways financed by the highway trust fund; (3) any interoceanic canal outside the continental United States; (4) defense features included in the design and construction of civil

transportation systems or equipment included at the direction of the Department of Defense; (5) foreign assistance programs; and (6) water resource projects.

The President must approve the standards developed by the Secretary but prior to his action the proposed standards must be published in the Federal Register and an opportunity provided for interested persons to present their views on them.

Subsection (b) provides for various procedures to be used by the Federal agencies in the preparation and submission of proposals for investment to which the standards authorized in subsection (a) apply. These procedures include the requirements that the proposals be (1) in accord with these standards; (2) based on certain specific information furnished by the Secretary; (3) coordinated with the Secretary and other appropriate Federal, State, and local government agencies for inclusions of their views and comments; and (4) transmitted to the President or, as in the case of proposals and reports by the Corps of Engineers, to the Congress.

Section 8. Amendments to other laws

Subsection (a) of this section amends section 406(b) of the Federal Aviation Act of 1958 to direct the Civil Aeronautics Board to take into consideration, in fixing subsidies to air carriers, the Secretary's standards and criteria for determining the character and quality of transportation required for the commerce of the United States and the national defense.

Subsections (b) and (c) amend sections 201 and 206 of the Appalachian Regional Development Act of 1965. Section 206 of the Act presently provides for Federal assistance for the construction of an Appalachian development highway system. The outlines of the system are recommended by the Appalachian Regional Commission. The Secretary of Commerce, after approving these recommendations, may pay up to 50 percent of the cost of construction, or under certain circumstances, a greater percentage determined by him. In addition, he may require the use of coal derivatives in 10 percent of the roads constructed. The amendment transfers the Secretary of Commerce's functions under this section to the Secretary of Transportation, except that (1) the Commission's recommendations first go to the Secretary of Commerce and, upon his approval, to the Secretary of Transportation for final approval, (2) the two secretaries jointly determine whether more than 50 percent of the cost of construction will be paid by the United States, and (3) appropriations would be made to the Secretary of Commerce, who would transfer the necessary highway funds to the Secretary. The amendment made to section 206 would require the Secretary of the Army in formulating the water resource plan called for under that section to consult with the Secretary of Transportation.

Subsection (d) makes a conforming amendment to section 212(a) of the Interstate Commerce Act to permit the Interstate Commerce Commission to revoke or amend motor carrier certificates, permits and licenses for failure to obey the Secretary's orders made pursuant to functions transferred to him from the Interstate Commerce Commission by the bill.

Subsection (e) is a conforming amendment to the Fair Labor Standards Act of 1938.

The amendment made by subsection (f) to the Federal Explosives Act would give to the Secretary the Interstate Commerce Commission's present authority to make regulations with respect to the transportation of explosives.

Section 9. Administrative provisions

Subsection (a) of this section authorizes the Secretary to employ personnel, subject to the civil service and classification laws. Subsection (b)(1) permits the appointment, detail, or assignment to positions in the Department (without regard to the civil service and classification laws) of members of the Coast Guard on active duty. Subsection (b)(2) makes clear that subsection (b)(1) is not intended to exclude retired members of the Coast Guard from employment within the Department (subject to the civil service and classification laws, and the Dual Compensation Act of 1964). Subsection (c) permits the Secretary to employ experts and consultants on a temporary or intermittent basis at not more than \$100 per diem unless otherwise specified in an appropriation act.

Subsection (d) permits the Secretary to provide for participation of military personnel in carrying out his functions. Subsection (e)(1) provides that the service of Coast Guard personnel under subsection (b)(1) in positions in the Department other than in the Coast Guard or the service of other Armed Forces personnel under subsection (d) shall not affect their status in their armed force, and that such personnel will not be charged against any statutory limitation on armed forces' grades or strengths and will not be subject to the control of their armed force while serving in the Department.

Subsection (f) permits the Secretary to delegate and to authorize the redelegation of his functions. Subsection (g) transfers the Federal Aviation Agency's personnel, assets, unexpended balances of appropriations, etc., to the Secretary. Subsections (h), (i), and (j) transfer to the Secretary the positions, assets, unexpended balances of appropriations, etc., which the Director of the Bureau of the Budget determines relate to functions transferred by sections 6 (other than subsection (c) thereof), 8(d), and 8 (e) of the bill. Personnel engaged in transferred functions will be transferred in accordance with applicable laws and regulations, but without reduction in compensation for a year after transfer. Appointees to the Department who immediately before appointment held a position compensated under the Federal Executive Salary Schedule, comparable to their new position, shall be compensated at not less than their rate for the old position for as long as they hold the new position. Any agency all of the functions of which are transferred by the bill will lapse, except for the Coast Guard which will continue under the new Department.

Subsection (k) authorizes the establishment of a working capital fund for the Department. Subsection (l) authorizes the Secretary to adopt a seal for the Department. Subsection (m) authorizes the Secretary to provide certain facilities, services, and supplies to employees and their dependents stationed at remote localities. Subsection (n) authorizes the Secretary to accept gifts and bequests of real and personal property. Subsection (o) authorizes the Secretary, upon payment of the actual cost of the work, to make special statistical studies and compilations and to furnish transcripts of its studies and records for private persons and State and local governments.

Payments received for work under this subsection would be deposited in a special account from which payment could be made for the ordinary expenses incidental to the work and to secure the services of persons who are not officers or employees of the United States.

Subsection (p) authorizes the appointment of advisory committees.

Section 10. Conforming amendments to other laws

Subsection (a) would place the Secretary of Transportation in the line of succession to the office of President of the United States.

Subsections (b) and (c) are technical provisions which would extend to the new department the provisions of title IV of the Revised Statutes, except to the extent inconsistent with the bill. These provisions deal with such matters as departmental vacancies, regulations, duties of clerks, details, and employment of personnel, oaths, subpenas, and witness fees.

Subsection (d) amends Section 303 of the Federal Executive Salary Act of 1964 by placing the Secretary of Housing and Urban Development and the Secretary of Transportation in level I of the Federal Executive Salary Schedule; by deleting the Under Secretary of Commerce for Transportation and inserting the Under Secretary of Transportation at level III; by adding four Assistant Secretaries of the Department of Transportation, a General Counsel of the Department of Transportation, and the Chairman of the National Transportation Safety Board at level IV; and by adding an Assistant Secretary for Administration of the Department of Transportation and four members of the National Transportation Safety Board at level V. The section also authorizes the President to place one position in level III and a total of nine additional positions in levels IV and V of the Federal Executive Salary Schedule.¹⁰

Subsection (e) removes from the Federal Executive Salary Schedule reference to the Federal Highway Administrator; the Maritime Administrator; and the following officers of the Federal Aviation Agency: the Administrator, Deputy Administrator, Associate Administrator for Administration, Associate Administrator for Development, Associate Administrator for Programs, and General Counsel.

Subsection (f) amends an act which makes the vessel operation revolving fund available to pay activation and deactivation cost of ships chartered out by the Secretary of Commerce, so as to make the act applicable to ships chartered out by the Secretary of Transportation.

Subsection (g) amends the act which prescribes a criminal penalty for false representations relating to highway projects submitted to the Secretary of Commerce so as to make it applicable to such projects submitted to the Secretary of Transportation.

Subsection (h) is a conforming amendment to the Uniform Code of Military Justice.

Section 11. Annual report

This section directs the Secretary to make an annual report.

Section 12. Savings provisions

This section contains savings provisions, designed in general to insure that transfers of functions to the Department do not affect either rights and privileges existing before the transfer, or administrative or judicial proceedings pending at the time of transfer, except to

¹⁰ Eight newly authorized positions are replacements of positions abolished by the bill. See sec. 303(f) of the Federal Executive Salary Act of 1964, p. 48 below.

the extent necessary to permit the Department to act in the place of the officer or agency from which the functions were transferred.

Subsection (a) provides that orders, regulations, certificates, etc., to which transferred functions relate and which are in effect at the time of transfer, will remain in effect until modified by the appropriate officer or agency of the Department, by the courts, or by operation of law.

Subsection (b) provides that the bill will not affect administrative proceedings pending on the bill's effective date, except that certain proceedings involving transferred functions will be continued before the new Department.

Subsection (c) provides that no cause of action will abate by reason of the bill's enactment, and that judicial proceedings pending when the bill takes effect will not be affected by the bill, with the exception of certain proceedings involving transferred functions, which will be continued by the Secretary.

Subsection (d) provides that with respect to a transferred function exercised after the effective date of the bill, any reference in any Federal law to the agency or officer from which the function was transferred will be deemed to mean the officer or agency in which the bill vests such function after its transfer.

Section 13. Separability

This section provides that if any provision of the bill or the application thereof to any person or circumstances is held invalid, the remainder of the bill, and the application of such provision to other persons or circumstances shall not be affected thereby.

Section 14. Codification

This section directs the Secretary to propose to Congress within 2 years from the effective date of the bill a codification of all laws that contain functions transferred to or vested in the Secretary or the Department by the bill.

Section 15. Effective date; initial appointment of officers

Subsection (a) of this section provides that the bill will take effect 90 days after the Secretary first takes office, or on such prior date after the enactment of the bill as the President shall prescribe and publish in the Federal Register. Subsection (b) provides that the principal officers of the Department may be appointed at any time after the date of enactment of the bill, and that they will be compensated from the date they first take office. Their compensation and the related expenses of their offices will be paid from funds available for the functions to be transferred to the Department.

CONCLUSION

The committee has made a careful study of this proposal. We considered the arguments both for and against and criticisms made of various features of the bill. These arguments and criticisms along with our own study resulted in the revisions made and the product here presented.

It is apparent to us that the need is clear and the time is ripe for establishment of the new Department of Transportation. For the reasons set forth in this report we strongly urge the House to act favorably upon this legislation.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of Rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

SECTION 406(b) OF THE FEDERAL AVIATION ACT OF 1958

(72 Stat. 763)

RATE MAKING ELEMENTS

(b) In fixing and determining fair and reasonable rates of compensation under this section, the Board, considering the conditions peculiar to transportation by aircraft and to the particular air carriers or class of air carriers, may fix different rates for different air carriers or classes of air carriers, and different classes of service. In determining the rate in each case, the Board shall take into consideration, among other factors, (1) the condition that such air carriers may hold and operate under certificates authorizing the carriage of mail only by providing necessary and adequate facilities and service for the transportation of mail; (2) such standards respecting the character and quality of service to be rendered by air carriers as may be prescribed by or pursuant to law; and (3) the need of each such air carrier (other than a supplemental air carrier) for compensation for the transportation of mail sufficient to insure the performance of such service, and, together with all other revenue of the air carrier, to enable such air carrier under honest, economical, and efficient management, to maintain and continue the development of air transportation to the extent and of the character and quality required for the commerce of the United States, the Postal Service, and the national defense. *In applying clause (3) of this subsection, the Board shall take into consideration any standards and criteria prescribed by the Secretary of Transportation, for determining the character and quality of transportation required for the commerce of the United States and the national defense.*

SECTIONS 201 AND 206(c) OF THE APPALACHIAN REGIONAL DEVELOPMENT ACT OF 1965

(79 Stat. 10 and 15)

TITLE II—SPECIAL APPALACHIAN PROGRAMS

PART A—NEW PROGRAMS

APPALACHIAN DEVELOPMENT HIGHWAY SYSTEM

SEC. 201. (a) The Secretary of **Commerce** (hereafter in this section referred to as the "Secretary") *Transportation* is authorized to assist in the construction of an Appalachian development highway system serving the Appalachian region (the length of which shall not

exceed two thousand three hundred and fifty miles. In addition thereto, there are authorized to be constructed not in excess of one thousand miles of local access roads, that will serve specific recreational, residential, commercial, industrial, or other like facilities or will facilitate a school consolidation program). The system, in conjunction with the Interstate System and other Federal-aid highways in the region will provide a highway system which will open up an area or areas with a developmental potential where commerce and communication have been inhibited by lack of adequate access. The provisions of title 23, United States Code, that are applicable to Federal-aid primary highways, and which the Secretary of *Transportation* determines are not inconsistent with this Act, shall apply to the Appalachian development highway system, and the local access roads.

(b) As soon as feasible, the Commission shall submit to the Secretary of *Commerce* its recommendations with respect to (1) the general corridor location and termini of the development highways, (2) the designation of local access roads to be constructed, (3) priorities for construction of the local access roads and of the major segments of the development highways, and (4) other criteria for the program authorized by this section. Before any State member participates in or votes on such recommendations, he shall have obtained the recommendations of the State highway department of the State which he represents.

(c) [The Secretary shall have authority to approve in whole or in part such recommendations or to require modifications or revisions thereof.] *Such recommendations as are approved by the Secretary of Commerce shall be transmitted to the Secretary of Transportation for his approval.* In no event shall the Secretary of *Transportation* approve any recommendations for any construction which would require for its completion the expenditure of Federal funds (other than funds available under title 23, United States Code) in excess of the appropriation authorizations in subsection (g). On its completion each development highway not already on the Federal-aid primary system shall be added to such system and shall be required to be maintained by the State.

(d) In the construction of highways and roads authorized under this section, the States may give special preference to the use of mineral resource materials indigenous to the Appalachian region.

(e) For the purposes of research and development in the use of coal and coal products in highway construction and maintenance, the Secretary of *Transportation* is authorized to require each participating State, to the maximum extent possible, to use coal derivatives in the construction of not to exceed 10 per centum of the roads authorized under this Act.

(f) Federal assistance to any construction project under this section shall not exceed 50 per centum of the costs of such project, unless the [Secretary determines,] *Secretary of Commerce and the Secretary of Transportation determine*, pursuant to the recommendation of the Commission, that assistance in excess of such percentage is required in furtherance of the purposes of this Act, but in no event shall such Federal assistance exceed 70 per centum of such costs.

(g) To carry out this section, there is hereby authorized to be appropriated \$840,000,000 to the Secretary of Commerce, who shall transfer funds to the Secretary of Transportation for administration of projects approved by both Secretaries.

* * * * *

WATER RESOURCE SURVEY

SEC. 206. (a) * * *

* * * * *

(c) To insure that the plan prepared by the Secretary of the Army shall constitute a harmonious component of the regional program, he shall consult with the Commission and the following: the Secretary of Agriculture, the Secretary of Commerce, the Secretary of Health, Education, and Welfare, the Secretary of the Interior, *Secretary of Transportation*, the Tennessee Valley Authority, and the Federal Power Commission.

SECTION 212(a) OF THE INTERSTATE COMMERCE ACT

SUSPENSION, CHANGE, REVOCATION, AND TRANSFER OF CERTIFICATES, PERMITS, AND LICENSES

SEC. 212. (a) Certificates, permits, and licenses shall be effective from the date specified therein, and shall remain in effect until suspended or terminated as herein provided. Any such certificate, permit, or license may, upon application of the holder thereof, in the discretion of the Commission, be amended or revoked, in whole or in part, or may upon complaint, or on the Commission's own initiative, after notice and hearing, be suspended, changed, or revoked, in whole or in part, for willful failure to comply with any provision of this part, or with any lawful order, rule, or regulation [of the Commission] promulgated thereunder, or with any term, condition, or limitation of such certificate, permit, or license: *Provided, however,* That no such certificate, permit, or license shall be revoked (except upon application of the holder) unless the holder thereof willfully fails to comply, within a reasonable time, not less than thirty days, to be fixed by the Commission, with a lawful order [of the Commission], made as provided in section 204(c), commanding obedience to the provision of this part, or to the rule or regulation [of the Commission] thereunder, or to the term, condition, or limitation of such certificate, permit, or license, found by the Commission to have been violated by such holder: *And provided further,* That the right to engage in transportation in interstate or foreign commerce by virtue of any certificate, permit, license, or any application filed pursuant to the provisions of section 206, 209, or 211, or by virtue of the second proviso of section 206(a) or temporary authority under section 210a, may be suspended by the Commission, upon reasonable notice of not less than fifteen days to the carrier or broker, but without hearing or other proceedings, for failure to comply, and until compliance, with the provisions of section 211(c), 217(a), or 218(a) or with any lawful order, rule, or regulation of the Commission promulgated thereunder.

* * * * *

SECTION 13(b)(1) OF THE FAIR LABOR STANDARDS ACT OF 1938

(52 Stat. 1067)

- (b) The provisions of section 7 shall not apply with respect to—
 (1) any employee with respect to whom the [Interstate Commerce Commission] *Secretary of Transportation* has power to establish qualifications and maximum hours of service pursuant to the provisions of section 204 of the Motor Carrier Act, 1935; or

* * * * *

SECTION 3 OF THE FEDERAL EXPLOSIVES ACT

(40 Stat. 385)

SEC. 3. The purchase or possession of ingredients when purchased or held in small quantities and not used or intended to be used in the manufacture of explosives shall not be subject to the provisions of this Act. [This Act shall not apply to explosives or ingredients which are in transit upon vessels, railroad cars, or conveyances in conformity with the statutory provisions or rules and regulations of the Interstate Commerce Commission, or regulations of the Secretary of Commerce.] *This Act shall not apply to explosives or ingredients which are in transit upon vessels, railroad cars, aircraft, or other conveyances in conformity with statutory law or with the rules and regulations of the Secretary of Transportation.* This Act shall not be construed to prevent the manufacture under the authority of the United States of explosives for, or their sale to or possession by, the military or naval service of the United States or the Federal Bureau of Investigation. This Act shall not apply to arsenals, navy yards, depots or other establishments owned by, or operated by or on behalf of, the United States. The Director may, however, cooperate with the heads of departments having jurisdiction over such establishments. Nothing in this Act shall be construed to modify or otherwise affect in any way the authority of the Federal Bureau of Investigation with respect to the investigation of explosions, accidents, or fires.

SECTION 19(d)(1) OF TITLE 3, UNITED STATES CODE

(d)(1) If, by reason of death, resignation, removal from office, inability, or failure to qualify, there is no President pro tempore to act as President under subsection (b) of this section, then the officer of the United States who is highest on the following list, and who is not under disability to discharge the powers and duties of the office of President shall act as President: Secretary of State, Secretary of the Treasury, Secretary of Defense, Attorney General, Postmaster General, Secretary of the Interior, Secretary of Agriculture, Secretary of Commerce, Secretary of Labor, Secretary of Health, Education, and Welfare, Secretary of Housing and Urban Development[.], *Secretary of Transportation.*

SECTION 158 OF THE REVISED STATUTES
(5 U.S.C. 1)

SEC. 158. The provisions of this Title shall apply to the following Executive Departments:

- First. The Department of State.
- Second. The Department of Defense.
- Third. The Department of the Treasury.
- Fourth. The Department of Justice.
- Fifth. The Post Office Department.
- Sixth. The Department of the Interior.
- Seventh. The Department of Agriculture.
- Eighth. The Department of Commerce.
- Ninth. The Department of Labor.
- Tenth. The Department of Health, Education, and Welfare.
- Eleventh. The Department of Housing and Urban Development.
- Twelfth. The Department of Transportation.*

SECTION 303 OF THE FEDERAL EXECUTIVE SALARY ACT
OF 1964

(78 Stat. 416)

SEC. 303. (a) Level I of the Federal Executive Salary Schedule shall apply to the following offices and positions, for which the annual rate of basic compensation shall be \$35,000:

- (1) Secretary of State.
- (2) Secretary of the Treasury.
- (3) Secretary of Defense.
- (4) Attorney General.
- (5) Postmaster General.
- (6) Secretary of the Interior.
- (7) Secretary of Agriculture.
- (8) Secretary of Commerce.
- (9) Secretary of Labor.
- (10) Secretary of Health, Education, and Welfare.
- (11) *Secretary of Housing and Urban Development.*
- (12) *Secretary of Transportation.*

(b) Level II of the Federal Executive Salary Schedule shall apply to the following offices and positions, for which the annual rate of basic compensation shall be \$30,000:

- (1) Deputy Secretary of Defense.
- (2) Under Secretary of State.
- (3) Administrator, Agency for International Development.
- (4) Administrator of the National Aeronautics and Space Administration.
- (5) Administrator of Veterans' Affairs.
- (6) Administrator of the Housing and Home Finance Agency.
- [(7) Administrator of the Federal Aviation Agency.]**
- (8) Chairman, Atomic Energy Commission.
- (9) Chairman, Council of Economic Advisers.

(10) Chairman, Board of Governors of the Federal Reserve System.

(11) Director of the Bureau of the Budget.

(12) Director of the Office of Science and Technology.

(13) Director of the United States Arms Control and Disarmament Agency.

(14) Director of the United States Information Agency.

(15) Director of the Federal Bureau of Investigation, Department of Justice, so long as the position is held by the present incumbent: *Provided*, That thereafter the position shall be placed in level III.

(16) Director of Central Intelligence.

(17) Secretary of the Air Force.

(18) Secretary of the Army.

(19) Secretary of the Navy.

(c) Level III of the Federal Executive Salary Schedule shall apply to the following offices and positions, for which the annual rate of basic compensation shall be \$28,500:

(1) Deputy Attorney General.

(2) Solicitor General of the United States.

(3) Deputy Postmaster General.

(4) Under Secretary of Agriculture.

(5) Under Secretary of Commerce.

[(6) Under Secretary of Commerce for Transportation.]

(6) *Under Secretary of Transportation.*

(7) Under Secretary of Health, Education, and Welfare.

(8) Under Secretary of the Interior.

(9) Under Secretary of Labor.

(10) Under Secretary of State for Political Affairs or Under Secretary of State for Economic Affairs.

(11) Under Secretary of the Treasury.

(12) Under Secretary of the Treasury for Monetary Affairs.

(13) Administrator of General Services.

(14) Administrator of the Small Business Administration.

(15) Deputy Administrator of Veterans' Affairs.

(16) Deputy Administrator, Agency for International Development.

(17) Chairman, Civil Aeronautics Board.

(18) Chairman of the United States Civil Service Commission.

(19) Chairman, Federal Communications Commission.

(20) Chairman, Board of Directors, Federal Deposit Insurance Corporation.

(21) Chairman of the Federal Home Loan Bank Board.

(22) Chairman, Federal Power Commission.

(23) Chairman, Federal Trade Commission.

(24) Chairman, Interstate Commerce Commission.

(25) Chairman, National Labor Relations Board.

(26) Chairman, Securities and Exchange Commission.

(27) Chairman, Board of Directors of the Tennessee Valley Authority.

(28) Chairman, National Mediation Board.

(29) Chairman, Railroad Retirement Board.

(30) Chairman, Federal Maritime Commission.

(31) Comptroller of the Currency.

- (32) Commissioner of Internal Revenue.
- (33) Director of Defense Research and Engineering, Department of Defense.
- (34) Deputy Administrator of the National Aeronautics and Space Administration.
- (35) Deputy Director of the Bureau of the Budget.
- (36) Deputy Director of Central Intelligence.
- (37) Director of the Office of Emergency Planning.
- (38) Director of the Peace Corps.
- (39) Director of Selective Service, so long as the position is held by the present incumbent: *Provided*, That thereafter the position shall be placed in Level IV.
- (40) Chief Medical Director in the Department of Medicine and Surgery of the Veterans' Administration.
- (41) Director of the National Science Foundation.
- (42) Deputy Administrator of the Housing and Home Finance Agency.
- (43) President of the Export-Import Bank of Washington.
- (44) Members, Atomic Energy Commission.
- (45) Members, Board of Governors of the Federal Reserve System.

(46) Associate Director of the Federal Bureau of Investigation, Department of Justice, so long as the position is held by the present incumbent: *Provided*, That thereafter the position shall be placed in Level IV.

(d) Level IV of the Federal Executive Salary Schedule shall apply to the following offices and positions, for which the annual rate of basic compensation shall be \$27,000:

(1) Administrator, Bureau of Security and Consular Affairs, Department of State.

[(2) Deputy Administrator of the Federal Aviation Agency.]

(3) Deputy Administrator of General Services.

(4) Associate Administrator of the National Aeronautics and Space Administration.

(5) Assistant Administrators, Agency for International Development (6).

(6) Regional Assistant Administrators, Agency for International Development (4).

(7) Under Secretary of the Air Force.

(8) Under Secretary of the Army.

(9) Under Secretary of the Navy.

(10) Deputy Under Secretaries of State (2).

(11) Assistant Secretaries of Agriculture (3).

(12) Assistant Secretaries of Commerce (5).

(13) Assistant Secretaries of Defense (7).

(14) Assistant Secretaries of the Air Force (3).

(15) Assistant Secretaries of the Army (3).

(16) Assistant Secretaries of the Navy (3).

(17) Assistant Secretaries of Health, Education, and Welfare (6).

(18) Assistant Secretaries of the Interior (4).

(19) Assistant Attorneys General (9).

(20) Assistant Secretaries of Labor (4).

- (21) Assistant Postmasters General (5).
- (22) Assistant Secretaries of State (11).
- (23) Assistant Secretaries of the Treasury (4).
- (24) Chairman of the United States Tariff Commission.
- (25) Commissioner, Community Facilities Administration.
- (26) Commissioner, Federal Housing Administration.
- (27) Commissioner, Public Housing Administration.
- (28) Commissioner, Urban Renewal Administration.
- (29) Director of Civil Defense, Department of the Army.
- (30) Director of the Federal Mediation and Conciliation Service.
- (31) Deputy Chief Medical Director in the Department of Medicine and Surgery of the Veterans' Administration.
- (32) Deputy Director of the Office of Emergency Planning.
- (33) Deputy Director of the Office of Science and Technology.
- (34) Deputy Director of the Peace Corps.
- (35) Deputy Director of the United States Arms Control and Disarmament Agency.
- (36) Deputy Director of the United States Information Agency.
- (37) Assistant Directors of the Bureau of the Budget (3).
- (38) General Counsel of the Department of Agriculture.
- (39) General Counsel of the Department of Commerce.
- (40) General Counsel of the Department of Defense.
- (41) General Counsel of the Department of Health, Education, and Welfare.
- (42) Solicitor of the Department of the Interior.
- (43) Solicitor of the Department of Labor.
- (44) General Counsel of the National Labor Relations Board.
- (45) General Counsel of the Post Office Department.
- (46) Counselor of the Department of State.
- (47) Legal Adviser of the Department of State.
- (48) General Counsel of the Department of the Treasury.
- (49) First Vice President of the Export-Import Bank of Washington.
- (50) General Manager of the Atomic Energy Commission.
- (51) Governor of the Farm Credit Administration.
- (52) Inspector General, Foreign Assistance.
- (53) Deputy Inspector General, Foreign Assistance.
- (54) Members, Civil Aeronautics Board.
- (55) Members, Council of Economic Advisers.
- (56) Members, Board of Directors of the Export-Import Bank of Washington.
- (57) Members, Federal Communications Commission.
- (58) Member, Board of Directors of the Federal Deposit Insurance Corporation.
- (59) Members, Federal Home Loan Bank Board.
- (60) Members, Federal Power Commission.
- (61) Members, Federal Trade Commission.
- (62) Members, Interstate Commerce Commission.
- (63) Members, National Labor Relations Board.
- (64) Members, Securities and Exchange Commission.
- (65) Members, Board of Directors of the Tennessee Valley Authority.

- (66) Members, United States Civil Service Commission.
- (67) Members, Federal Maritime Commission.
- (68) Members, National Mediation Board.
- (69) Members, Railroad Retirement Board.
- (70) *Assistant Secretaries, Department of Transportation, (4).*
- (71) *General Counsel, Department of Transportation.*
- (72) *Chairman, National Transportation Safety Board, Department of Transportation.*

(e) Level V of the Federal Executive Salary Schedule shall apply to the following offices and positions, for which the annual rate of basic compensation shall be \$26,000:

(1) Administrator, Agricultural Marketing Service, Department of Agriculture.

(2) Administrator, Agricultural Research Service, Department of Agriculture.

(3) Administrator, Agricultural Stabilization and Conservation Service, Department of Agriculture.

(4) Administrator, Farmers Home Administration.

(5) Administrator, Foreign Agricultural Service, Department of Agriculture.

(6) Administrator, Rural Electrification Administration, Department of Agriculture.

(7) Administrator, Soil Conservation Service, Department of Agriculture.

(8) Administrator, Bonneville Power Administration, Department of the Interior.

(9) Administrator of the National Capital Transportation Agency.

(10) Administrator of the Saint Lawrence Seaway Development Corporation.

(11) Deputy Administrators of the Small Business Administration (4).

[(12) Associate Administrator for Administration, Federal Aviation Agency.]

[(13) Associate Administrator for Development, Federal Aviation Agency.]

[(14) Associate Administrator for Programs, Federal Aviation Agency.]

(15) Associate Administrator for Advanced Research and Technology, National Aeronautics and Space Administration.

(16) Associate Administrator for Space Science and Applications, National Aeronautics and Space Administration.

(17) Associate Administrator for Manned Space Flight, National Aeronautics and Space Administration.

(18) Associate Deputy Administrator, National Aeronautics and Space Administration.

(19) Deputy Associate Administrator, National Aeronautics and Space Administration.

(20) Associate Deputy Administrator of Veterans' Affairs.

(21) Archivist of the United States.

(22) Area Redevelopment Administrator, Department of Commerce.

(23) Assistant Secretary of Agriculture for Administration.

(24) Assistant Secretary of Health, Education, and Welfare for Administration.

- (25) Assistant Secretary of the Interior for Administration.
- (26) Assistant Attorney General for Administration.
- (27) Assistant Secretary of Labor for Administration.
- (28) Assistant Secretary of the Treasury for Administration.
- (29) Assistant General Manager, Atomic Energy Commission.
- (30) Assistant and Science Adviser to the Secretary of the Interior.
- (31) Chairman, Foreign Claims Settlement Commission of the United States.
- (32) Chairman of the Military Liaison Committee to the Atomic Energy Commission, Department of Defense.
- (33) Chairman of the Renegotiation Board.
- (34) Chairman of the Subversive Activities Control Board.
- (35) Chief Counsel for the Internal Revenue Service, Department of the Treasury.
- (36) Chief Forester of the Forest Service, Department of Agriculture.
- (37) Chief Postal Inspector, Post Office Department.
- (38) Chief, Weather Bureau, Department of Commerce.
- (39) Commissioner of Customs, Department of the Treasury.
- (40) Commissioner, Federal Supply Service, General Services Administration.
- (41) Commissioner of Education, Department of Health, Education, and Welfare.
- (42) Commissioner of Fish and Wildlife, Department of the Interior.
- (43) Commissioner of Food and Drugs, Department of Health, Education, and Welfare.
- (44) Commissioner of Immigration and Naturalization, Department of Justice.
- (45) Commissioner of Indian Affairs, Department of the Interior.
- (46) Chief Commissioner, Indian Claims Commission.
- (47) Associate Commissioners, Indian Claims Commission (2).
- (48) Commissioner of Patents, Department of Commerce.
- (49) Commissioner, Public Buildings Service, General Services Administration.
- (50) Commissioner of Reclamation, Department of the Interior.
- (51) Commissioner of Social Security, Department of Health, Education, and Welfare.
- (52) Commissioner of Vocational Rehabilitation, Department of Health, Education, and Welfare.
- (53) Commissioner of Welfare, Department of Health, Education, and Welfare.
- (54) Director, Advanced Research Projects Agency, Department of Defense.
- (55) Director of Agricultural Economics, Department of Agriculture.
- (56) Director, Bureau of the Census, Department of Commerce.
- (57) Director, Bureau of Mines, Department of the Interior.
- (58) Director, Bureau of Prisons, Department of Justice.
- (59) Director, Geological Survey, Department of the Interior.

(60) Director, Office of Research and Engineering, Post Office Department.

(61) Director, National Bureau of Standards, Department of Commerce.

(62) Director of Regulation, Atomic Energy Commission.

(63) Director of Science and Education, Department of Agriculture.

(64) Deputy Under Secretary for Monetary Affairs, Department of the Treasury.

(65) Deputy Commissioner of Internal Revenue, Department of the Treasury.

(66) Deputy Director, National Science Foundation.

(67) Deputy Director, Policy and Plans, United States Information Agency.

(68) Deputy General Counsel, Department of Defense.

(69) Deputy General Manager, Atomic Energy Commission.

(70) Associate Director of the Federal Mediation and Conciliation Service.

(71) Associate Director for Volunteers, Peace Corps.

(72) Associate Director for Program Development and Operations, Peace Corps.

(73) Assistants to the Director of the Federal Bureau of Investigation, Department of Justice (2).

(74) Assistant Directors, Office of Emergency Planning (3).

(75) Assistant Directors, United States Arms Control and Disarmament Agency (4).

[(76) Federal Highway Administrator, Department of Commerce.]

(77) Fiscal Assistant Secretary of the Treasury.

(78) General Counsel of the Agency for International Development.

(79) General Counsel of the Department of the Air Force.

(80) General Counsel of the Department of the Army.

(81) General Counsel of the Atomic Energy Commission.

[(82) General Counsel of the Federal Aviation Agency.]

(83) General Counsel of the Housing and Home Finance Agency.

(84) General Counsel of the Department of the Navy.

(85) General Counsel of the United States Arms Control and Disarmament Agency.

(86) General Counsel of the National Aeronautics and Space Administration.

(87) Governor of the Canal Zone.

(88) Manpower Administrator, Department of Labor.

[(89) Maritime Administrator, Department of Commerce.]

(90) Members, Foreign Claims Settlement Commission of the United States.

(91) Members, Renegotiation Board.

(92) Members, Subversive Activities Control Board.

(93) Members, United States Tariff Commission.

(96) Deputy Directors of Defense Research and Engineering, Department of Defense (4).

(97) Assistant, Administrator of General Services.

(98) Director, United States Travel Service, Department of Commerce.

(99) Executive Director of the United States Civil Service Commission.

(100) Administrator for Economic Development.

(101) Assistant Secretary for Administration, Department of Transportation.

(102) Members, National Transportation Safety Board, Department of Transportation (4).

(f) In addition to the offices and positions listed in subsections (d) and (e) of this section, the President is authorized to place from time to time offices and positions held by not to exceed **[thirty]** *thirty-nine* persons in levels IV and V of the Federal Executive Salary Schedule when he deems such action necessary to reflect changes in organization, management responsibilities, or workload in any Federal department or agency. Any such action with respect to an office to which appointment is made by the President by and with the advice and consent of the Senate shall be effective only at the time of a new appointment to such office. Each action taken under this subsection shall be published in the Federal Register, except when it is determined by the President that such publication would be contrary to the interest of the national security. No action shall be taken under this subsection with respect to an office or position the compensation for which is fixed at a specific rate by this section or by statute enacted subsequent to the date of enactment of this Act.

(g) In addition to the offices and positions listed in subsections (d) and (e) of this section and the offices and positions placed by the President in levels IV and V pursuant to subsection (f) of this section, the President is authorized to place, during the period which begins on the day immediately following the date of enactment of this Act and which terminates on the first day of the sixth month which begins following the date of enactment of this Act, in levels IV and V of the Federal Executive Salary Schedule offices and positions held by not to exceed thirty persons, the duties and responsibilities of which he deems appropriate for such levels. No action shall be taken under this subsection with respect to an office or position the compensation for which is fixed at a specific rate by this section or by statute enacted subsequent to the date of enactment of this Act.

(h) *The President is further authorized to place one position in level III.*

ACT OF AUGUST 1, 1956

(70 Stat. 897)

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the vessel operations revolving fund created by the Third Supplemental Appropriations Act, 1951, approved June 2, 1951 (Public Law 45, Eighty-second Congress; 65 Stat. 52, at 59), shall, beginning July 1, 1956, be available for expenses incurred in connection with the activation, repair, and deactivation of merchant ships chartered under the jurisdiction of the Secretary of **[Commerce]** *Transportation*. There shall be credited*

to such fund all receipts on account of operations after July 1, 1956, under charters of Government-owned ships under the jurisdiction of the Secretary of **Commerce** *Transportation*.

SECTION 1020 OF TITLE 18, UNITED STATES CODE

§ 1020. Highway projects.

Whoever, being an officer, agent, or employee of the United States, or of any State or Territory, or whoever, whether a person, association, firm, or corporation, knowingly makes any false statement, false representation, or false report as to the character, quality, quantity, or cost of the material used or to be used, or the quantity or quality of the work performed or to be performed, or the costs thereof in connection with the submission of plans, maps, specifications, contracts, or costs of construction of any highway or related project submitted for approval to the Secretary of **Commerce** *Transportation*; or

Whoever knowingly makes any false statement, false representation, false report, or false claim with respect to the character, quality, quantity, or cost of any work performed or to be performed, or materials furnished or to be furnished, in connection with the construction of any highway or related project approved by the Secretary of **Commerce** *Transportation*; or

Whoever knowingly makes any false statement or false representation as to a material fact in any statement, certificate, or report submitted pursuant to the provisions of the Federal-Aid Road Act approved July 11, 1916 (39 Stat. 355), as amended and supplemented,

Shall be fined not more than \$10,000 or imprisoned not more than five years, or both.

SECTION 801(1) OF TITLE 10, UNITED STATES CODE

§ 801. Article 1. Definitions.

In this chapter:

(1) "Judge Advocate General" means, severally, the Judge Advocates General of the Army, Navy, and Air Force and, except when the Coast Guard is operating as a service in the Navy, the General Counsel of the Department of **the Treasury** *Transportation*.

APPENDICES

[Explanatory material submitted by the Bureau of the Budget]

APPENDIX 1

DEPARTMENT OF TRANSPORTATION

CONCEPT OF ORGANIZATION AND MANAGEMENT

General concept

The Department of Transportation will initially include functions and programs now performed by in excess of 94,000 civilian and military personnel, with 1966 fiscal year new obligation authority (including highway trust funds) of nearly \$6 billion. It will absorb in their entirety such complex and responsible elements of the executive branch as the Federal Aviation Agency, the Coast Guard, the Maritime Administration, and the Bureau of Public Roads, as well as many other smaller units and functions.

Because of the size of the operating elements included and the critical nature of many of their functions, the Department must be organized in a way which will minimize the disruption of ongoing services essential to the public and the national security. In addition, the organization of the Department must reflect the fact it will take considerable time for the Secretary to develop at the departmental level fully effective machinery for the coordination and oversight of the operating programs.

As illustrated in the attached organization chart, the operating programs of the Department will be placed in a small number of administrations, each headed by an Administrator appointed by the President by and with the advice and consent of the Senate. The Administrators along with the Commandant of the Coast Guard will report directly to the Secretary and Under Secretary. Other officials and offices of the Department would function as staff elements which would help the Secretary in the discharge of his responsibilities under the act or provide common support services.

In accordance with this concept and in recognition of the policy stated in section 4(b) of the Department of Transportation bill, the Federal Aviation Agency, the Coast Guard, the Bureau of Public Roads, and the Maritime Administration will provide the nuclei of major administrations and will carry on their present functions with little immediate change in methods of operation or management practices. A railroad administration is also provided to administer railroad programs transferred to the Department.

It is expected that the Secretary will give initial emphasis to the many urgent transportation policy issues requiring the attention of an official of Cabinet level and to the organization and staffing of

departmental offices. As experience is gained in the administration of the Department, selective realignments aimed at improved service or better coordination will be undertaken.

Role of Assistant Secretaries

The general concept described above takes the Assistant Secretaries of the Department out of the line and makes them available for assignments which cut across departmental programs and require officials of assistant secretary status. This approach will equip the Secretary to cope with policy and program matters which need analysis or action from perspectives broader than particular modes of transportation. It will also avoid undesirable layers of line supervision between the Secretary and the heads of operating administrations, and make the secretaries real aides to the Secretary instead of spokesmen for particular transportation modes. The four assistant secretaries could be used to provide leadership or help to the Secretary in such matters as the following:

1. Long-range planning and policy development.
2. Transportation technology and research.
3. Public and congressional relations.
4. Interagency and intergovernmental relations.
5. International transportation affairs.
6. Transportation safety.

A particular assistant secretary may serve as the head of some departmental staff office or as the supervisor or coordinator of a group of offices if need be. In any event, it is envisaged that the assignments of assistant secretaries will vary from time to time to reflect the priorities of problems confronting the Secretary and the capabilities of the individuals holding these offices.

Assistant Secretary for Administration

As is the general practice in other executive departments, the Assistant Secretary for Administration will be chosen by the Secretary, with the approval of the President, and will serve as the Secretary's principal adviser for managerial and administrative matters. He will also supervise such administrative offices as might be established at the departmental level.

General Counsel

Also in conformity with prevailing practice, a General Counsel for the Department will be appointed by the President, subject to Senate confirmation, and will serve as the legal adviser to the Secretary and the chief legal officer of the Department.

Status of heads of administrations

The heads of the operating administrations discussed above will be appointed by the President and their positions will be placed in executive pay levels commensurate with the complexity of their jobs. This excepts, of course, the position of Commandant of the Coast Guard which is filled on a 4-year tour basis by Presidential appointment, subject to Senate confirmation. The incumbent at the time of establishment of the Department will continue to serve his regular tour. It is expected that the head of the aviation activities will be at level III, that the heads of other major administrations will be at level IV, and that level V positions will be used for the deputies of the largest

administrations and the heads of major components of the Department not otherwise provided for.

National Transportation Safety Board

Because it is desirable that the determination of the cause or probable cause of major transportation accidents and disasters be made by a group independent of the operating entities of the Department, the legislation establishes a five-man National Transportation Safety Board. The Board will also perform certain other functions including appeals on certificate actions. Board members will be appointed by the President for 5-year overlapping terms. The Chairman will be compensated at level IV of the Federal executive salary scale and the members' pay will be set at level V.

Accident investigation

The Secretary will be responsible for the conduct of investigations of accidents, including those for which the findings as to cause are within the province of the National Transportation Safety Board. However, the traditional practice in the field of aircraft accident investigation requires that special provision be made for the objective investigation of major accidents involving that mode of transportation. The bill provides that the Secretary shall establish an Office of Accident Investigation which will carry out the aircraft accident investigations now performed by the CAB's Bureau of Safety.

Administration of the highway safety program

Provision will be made within the Department for the administration of highway safety functions at such time as the content of the program has been determined.

Executive-level positions

The total number of executive-level positions proposed for the Department is 23, including those provided for the Chairman and members of the National Transportation Safety Board. Executive-level positions would include 1 at level I, 2 at level III, 9 at level IV, and 12 at level V. Excluding the National Transportation Safety Board the Department of Transportation will have fewer executive-level positions than five other executive departments. The net increase in the number of executive-level positions resulting from this legislation will be 13.

Supergrade positions

It is contemplated that authorization of additional supergrade positions for the organization and staffing of the officers required by the Secretary at the departmental level will be provided by the Civil Service Commission. The additional supergrade authorizations will be furnished from the increased number to be authorized by legislation now pending before the Congress.

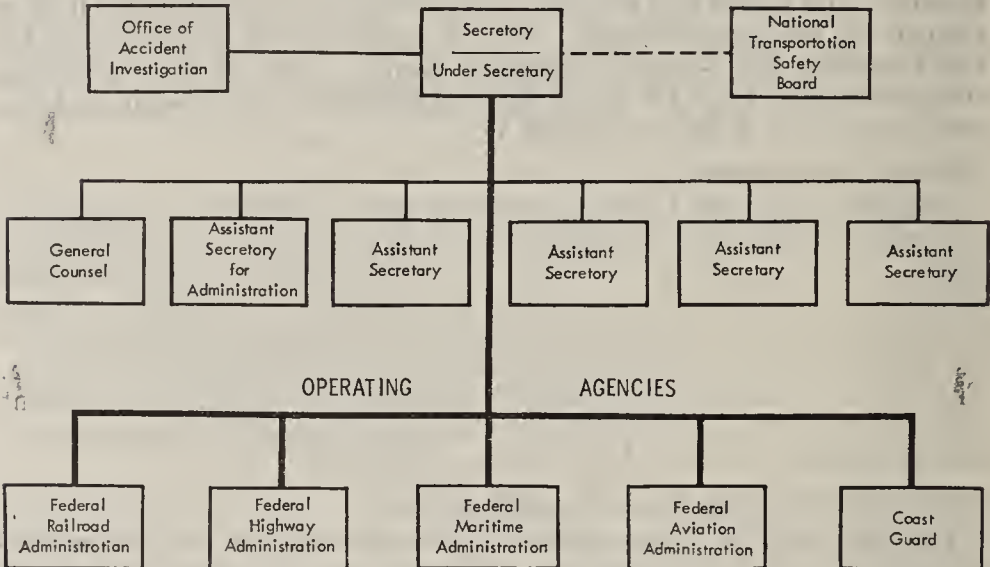
Savings clauses applying to existing officers and employees

The bill provides that no executive pay level official whose position is abolished by the act will be compensated at less than his present executive pay level if he is assigned comparable duties within the new Department. There is also a general savings clause which assures all employees that their grades and compensation will not be adversely affected by virtue of the reorganization during the 12 months following the taking effect of the act.

Status of existing agencies, administrations, and officers

With the exception of the Coast Guard, the act abolishes agencies whose functions are transferred to the Department. It also cancels the positions of heads and officials of abolished elements who have held posts at executive pay levels.

DEPARTMENT OF TRANSPORTATION



APPENDIX 2

DEPARTMENT OF TRANSPORTATION

ORGANIZATION OF ACCIDENT INVESTIGATION AND SAFETY FUNCTIONS

Transfer of safety functions to the Secretary and the NTSB

Under the provisions of section 6 of H.R. 15963, existing safety functions of the FAA, the CAB, the ICC, and Coast Guard will be lodged in the Department of Transportation. The broad range of safety activities now being carried out in the said agencies will continue to be executed by the components of the Department.

Section 5(b), however, vests in the National Transportation Safety Board (NTSB)—rather than the Secretary—functions, powers, and duties with respect to—

Determining the cause or probable cause of transportation accidents and reporting the facts, conditions, and circumstances relating to such accidents; and

The review, on appeal, of the suspension, amendment, modification, revocation, or denial of any certificate or license issued by the Secretary.

Clause 1 of section 5(b) does not vest in the Board the function and power of conducting accident investigations. Investigative functions will continue essentially as at present with, however, special arrangements for the investigative functions transferred from the CAB. (See discussion of Office of Accident Investigation, below.)

Role of the National Transportation Safety Board

The Board's function in the process of the accident investigation is to provide an independent tribunal which, unrestricted by departmental or other loyalty or partiality, can examine the extent to which accident investigations fairly state the circumstances of an accident. In other words, the Board, with its independent status, provides a mechanism whereby the record of accident investigation made by the Department will be reviewed to determine the cause or probable cause of an accident. In carrying out this function the NTSB will be able to judge whether the Department is functioning properly in enhancing and furthering transportation safety through the procedures, methods, and practices employed by the components of the Department.

It must be recognized that section 5 has been written to accommodate a variety of accident investigation practices and procedures in agencies with a number of statutory responsibilities. Over the years, these practices and procedures have developed in the particular mode of transportation involved to reflect the different practices of the industry concerned, the unique operations in each of the modes, as well as different statutory requirements. Thus, what is needful or convenient in the field of aircraft accident investigation may not necessarily be so in the field of maritime accident investigation. The

differences in the various modes also lead to differences in field organization.

In establishing the NTSB, recognition of these differences without going into elaborate detail was necessary. The provisions of section 5, read in their entirety, allow the necessary accommodation to established practices, and also allow the Secretary of Transportation and the NTSB future flexibility in improving practices and procedures to reflect contributions by staffs of experts in each of the modes of transportation.

Additional authority is granted to the NTSB by certain provisions in section 5(c) under which the Board may require the Secretary to initiate specific accident investigations as the Board determines necessary or appropriate, may arrange for personal participation of members or other Board personnel in accident investigations by the Department, and may require from the Secretary notification of transportation accidents and reports of such accidents as the Board deems necessary. Moreover, section 5(f) requires the Board to report annually to Congress on the conduct of the Board's functions under the act and on the effectiveness of accident investigations by the Department, with recommendations for any legislation deemed appropriate.

Coast Guard

In the maritime safety field, unlike aviation, the formal separation of accident investigative functions from the operating agency has no historical precedent. Ultimate determination of cause is now vested in the Commandant of the Coast Guard for major accidents. There has been no necessity to effect such a separation of accident investigation nor would a separation be practical for this function.

It should be noted with respect to the Coast Guard that functions relating to it should remain identifiable and not be fragmented so that if the President places the Coast Guard under the Navy Department in an emergency or time of war, the transfer of functions involved can be done smoothly and with a minimum of interruption in the transportation industry. The accident investigation (and disciplinary) functions of the Coast Guard are an essential element of the Navy's wartime control of merchant shipping. Were the investigative functions to be separated from the Coast Guard and fragmented by the NTSB into whatever organization the NTSB might establish, the transfer of this function at a later date from the NTSB back to the Coast Guard, under the Navy Department, would be difficult if not impossible, to the detriment of national security requirements.

Under the provisions of section 6, all authority for the Coast Guard to conduct casualty and personnel investigations is transferred to the Secretary. This authority will be delegated to the Commandant of the Coast Guard under the Secretary's authority established by section 9(f) of the bill. Investigations of marine casualties and procedures will be carried out by Coast Guard personnel, as is now the case. However, since the NTSB is given final authority to determine cause under section 5(b) of the bill, certain changes from existing practice will be made in the determination process which follows the preliminary accident investigation.

These functions are transferred to the Secretary; however, the determination of what " * * * caused or contributed to the cause of

such casualty" will be made by the NTSB in those cases which have not been delegated. It is expected that in most cases the determination of cause or probable cause will continue to be made by the Commandant.

Coast Guard statutory authorities for action in connection with suspension, amendment, modification, or revocation of certificates are transferred to the Secretary; however, section 5(b)(2) of the bill vests in the NTSB final appellate authority in those cases which have not been delegated. It is expected that most cases reviewed on appeal would be decided by the Commandant, under delegated authority.

CAB and FAA functions

Under the provisions of section 6, aviation safety functions now carried out by the CAB will be transferred to the Secretary of Transportation. However, determination of probable cause in all aviation accident cases and decisions on appeal on certificate action will be made by the NTSB under arrangements similar to those at present. A provision of section 5(m) making it subject to section 701(g) of the Federal Aviation Act (49 U.S.C. 1441(g)) precludes the Board from delegating determination of probable cause in aviation accident cases. Under the authority of section 5(m), however, certificate appeal actions in categories decided upon by the Board could be delegated to employees of the Board or to the Department for final disposition.

In aviation, unlike the marine field, there has been established a tradition of having a separate accident investigation staff for certain types of accidents. Presumably because of the direct involvement of FAA personnel in flight operations, it has been considered desirable to have a staff, independent of the agency operating the air navigation system conduct investigations of fatal accidents. Investigations of light plane, nonfatal aviation accidents have been carried out by the field staff of FAA under delegation from the CAB. This framework would essentially continue under the new Department:

Investigations of designated categories of nonfatal accidents involving small planes would be carried out by the Department's Federal Aviation Administration field elements, as is now the case.

Investigation of fatal or large aircraft accidents would be carried out by a separate staff element (primarily composed of the personnel transferred from the CAB's Bureau of Safety) in the Office of Accident Investigation—not a part of the aviation component as provided by section 3(f). (See below.)

Determination of probable cause of accidents based on the record of the investigation would be made by the NTSB, after review of investigation results transmitted by the Secretary of Transportation.

As discussed above, the NTSB is expressly authorized to require initiation by the Department of specific accident investigations and to arrange for NTSB participation in any accident investigation by the Department.

ICC functions

In the railway, motor carrier, and pipeline fields, as in the maritime area, there has been no historical separation of accident investigation staffs from the operating units. Serious accidents in both these modes are investigated by an inspection staff which also regularly

carries out a broad range of safety functions including spot check inspections of equipment, checking of carrier records, and discussions with carriers to improve safety programs.

In the new Department these activities, including accident investigation, will continue to be carried out by the staffs in the appropriate operating units of the Department. It is expected that in most accident cases which are investigated by the agency, the determination of cause will, under delegation from the NTSB, be made in the operating units of the Department. Authority to determine cause in certain significant types of accidents, however, may well be retained by the NTSB under authority of sections 5(b) and 5(m).

Unlike the procedures in the aviation and marine areas, there is no Federal licensing authority for employees engaged in motor carrier and railroad transport. Consequently, the provisions of section 5(b) with respect to certificate actions do not apply in this case.

Office of Accident Investigation

Section 3(f) specifies that the Secretary establish an Office of Accident Investigation. This office would be a staff office to the Secretary and as such would be entirely independent of the operating units of the Department. It would also serve as a focal point for accident investigation responsibilities for aviation. The office would house the investigative staff transferred from the CAB, charged with investigating fatal or large plane aircraft accidents.

In addition to being the base of the aircraft accident staff, it seems likely that the office would have a small group concerned with the coordination of accident investigations conducted by the operating components. In other words, this group would recommend to the operating components investigative techniques of proved worth used in each of the transportation modes. It would also help to insure the availability to investigators of appropriate laboratory and other investigative facilities from any of the operating components.

Conclusion

In summary, accident investigation will be carried out by—

Field elements of the appropriate operating units of the agency—aviation, maritime, rail, pipeline, motor carrier; or

The Office of Accident Investigation under the Secretary—for fatal or large aircraft aviation accidents.

Probable cause determination will be made by—

The NTSB in all aviation cases, as well as other cases where authority is not delegated to the Department by the Board; or

By Department of Transportation elements, acting under delegation from the NTSB, in maritime, motor carrier, pipeline, and rail safety cases.

APPENDIX 3

TECHNICAL ADDENDUM TO SECTION-BY-SECTION ANALYSIS

1. Citations to laws and provisions of law in the bill are intended to refer to the most recent version of the law cited, including all amendments.

2. Language identifying the subject matter being transferred is included in section 6 of the bill. Such language is intended merely for identification and, unless otherwise clear in the bill, is not intended to limit the transfer of the entire act or section of an act which is the subject of the transfer.

3. All identifying citations in the bill are to the original statutes at large and to the applicable sections of the United States Code. For further identification and easy reference the following is a summary of the substance of each of the laws transferred under section 6 of the bill. The major functions, powers, and duties so transferred are briefly described. In all cases complete code citations are given. In the case of the Federal Aviation Agency and the Coast Guard, all of their functions, powers, and duties are transferred under section 6 of the bill. The major laws which those agencies administer are described.

LAWS TRANSFERRED FROM COMMERCE DEPARTMENT (SEC. 6(a)(1))

(A) *Title 23, United States Code, "Highways"*

Title 23 represents a codification into positive law of all permanent acts relating to the Federal aid and other highway programs administered by the Secretary of Commerce.

Section 104. Apportionment.—This section authorizes the Secretary of Commerce to apportion funds to the Federal aid primary, Federal aid secondary, and the Interstate System, among the several States in accordance with the established formula.

Section 104 also directs the Secretary to certify to each State highway department the sum apportioned to that State for the next fiscal year before the preceding January 1.

Section 105. Programs.—This section empowers the Secretary of Commerce to approve programs for proposed projects located on the Federal-aid system after they have been submitted by State highway departments.

Section 106. Plans, specifications, and estimates.—This section authorizes the Secretary of Commerce to approve surveys, plans, specifications, and estimates submitted by the State highway department, after program approval.

The Secretary's approval shall be deemed a contractual obligation of the Federal Government for payment of its proportioned contribution.

Section 107. Acquisition of rights-of-way—Interstate System.—This section provides that the Secretary of Commerce, when requested by

a State, may acquire land required by a State for right-of-way or for other purposes in connection with the prosecution of any project on the Interstate System.

Section 109. Standards.—This section authorizes the Secretary of Commerce to approve geometric and construction standards for the Interstate System, made in cooperation with the State highway departments.

Section 110. Project agreements.—This section provides that the Secretary of Commerce, after plans and specifications for a specific project have been approved, shall enter into a formal project agreement with the State highway department concerning construction and maintenance of such project.

Section 112. Letting of contracts.—This section provides that the Secretary of Commerce shall require in all cases where construction is to be performed by the State highway department or under its supervision, such methods of bidding as shall be effective in securing competition.

Section 113. Prevailing rate of wage—Interstate System.—This section provides that the Secretary shall take such action as to insure that all laborers and mechanics employed by contractors or subcontractors receive the prevailing wage for similar work in the locality where such work is performed.

Section 114. Construction.—This section authorizes the Secretary of Commerce to inspect and approve construction undertaken by State highway departments or under their supervision on the Federal-aid system.

Section 116. Maintenance.—This section provides that if the Secretary of Commerce finds that any project constructed under title 23 or prior acts is not being properly maintained he shall notify the appropriate State highway department. If within 90 days the project is not in the proper condition of maintenance, the Secretary shall withhold approval of all projects for the State.

Section 121. Payment to States for construction.—This section provides that the Secretary of Commerce may, in his discretion, make payments to a State for costs of construction incurred by it on a project on the Federal-aid system and covered by a project agreement.

Section 127. Vehicle weight and width limitations—Interstate System.—This section provides that the Secretary of Commerce shall withhold from apportionment the funds to a State, if he finds a State is not in compliance with the size and weight limitations applicable to the Interstate System. Any amount withheld from the apportionment shall lapse.

Sections 131 and 136. Control of outdoor advertising.—These sections provide that if the Secretary of Commerce determines that on January 1, 1968, a State has not made provisions for effective control of outdoor advertising and junkyards pursuant to standards promulgated by the Secretary, the Secretary shall reduce by 10 percent the amount which would otherwise be apportioned to that State.

(B) *The act of October 23, 1962 (76 Stat. 1145, 23 U.S.C. 307 note), the Federal-Aid Highway Act of 1962*

Most of the provisions of this act are included in amendments to title 23, United States Code. However, this act (section 13) also authorizes the Secretary of Commerce to make engineering studies

and surveys relative to highway construction programs in Alaska, to make a report thereon to Congress, and, from time to time, to submit recommendations to Congress with respect to construction of highways in Alaska.

(C) *The act of July 14, 1960 (74 Stat. 526), as amended by the act of October 4, 1961 (75 Stat. 779, 23 U.S.C. 313 note), National Driver Register*

This act directs the Secretary of Commerce to establish and maintain a register containing the names of individuals whose licenses have been terminated or temporarily withdrawn due to certain offenses, and to make such information available to the States upon request.

(D) *The act of May 6, 1954 (68 Stat. 70), as amended by the act of October 13, 1964 (78 Stat. 1092, no applicable code citation), the Federal-Aid Highway Act of 1954*

Section 14 provides that the Secretary of Commerce apportion \$500,000 to the 10 States bordering the Mississippi River on the basis of needs for planning and expediting the Great River Road. (Not fully executed; a portion of these funds has not yet been apportioned.)

(E) *The act of September 26, 1961 (75 Stat. 670, 23 U.S.C. 120 note)*

This act provides that the Secretary of Commerce may convey to Virginia all interest of the United States in portions of the Shirley Highway and highways comprising the Pentagon road network. The conveyance of highways covered under section 1 of the act will occur when Virginia has agreed to bring such highway up to interstate standards. By agreement, Virginia is maintaining these highways. The Federal share payable for projects on these highways is 95 percent.

Highways covered under section 2 of the act as yet have not been conveyed to Virginia but the \$2,500,000 authorized to be spent for improvement thereunder has been expended.

(F) *The act of June 29, 1956 (70 Stat. 387, 23 U.S.C. 120 note), Highway Revenue Act of 1956, as amended*

Section 209(e)(1) directs the Secretary of the Treasury, after consultation with the Secretary of Commerce, to report to Congress annually on the actual and anticipated financial condition and the results of the operations of the highway trust fund.

Section 209(f)(5), added by section 202(a) of act approved September 3, 1964 (78 Stat. 897, 23 U.S.C. 120 note), directs the Secretary of the Treasury to transfer from the highway trust fund into the land and water conservation fund amounts as determined by him in consultation with the Secretary of Commerce as are equivalent to taxes received after January 1, 1965, with respect to special motor funds and gasoline used in motorboats.

Section 209(g) directs the Secretary of the Treasury after consultation with the Secretary of Commerce to estimate the amounts which will be available in the highway trust fund to defray the expenditures which will be required to be made from such fund. This section also relates to the function of the Secretary of Commerce with respect to the apportionment of funds to the States for the Interstate System.

(G) *The act of October 22, 1965 (79 Stat. 1028, 23 U.S.C. 131, 136), Highway Beautification Act of 1965*

Section 302 provides that the Secretary of Commerce shall furnish Congress a report of the estimate of cost and economic impact of this act not later than January 10, 1967.

Section 303 provides that the Secretary of Commerce shall hold public hearings in each State to gather information on which to base standards, criteria, and rules and regulations, and report to Congress not later than January 10, 1967, with respect to the standards, criteria, and rules and regulations promulgated.

(H) *The act of June 25, 1959 (73 Stat. 141, 48 U.S.C. 21(a)), Alaska Omnibus Act*

Section 21(a) provides that the Secretary of Commerce shall transfer to the State of Alaska all properties of the Bureau of Public Roads except those he must retain for additional road purposes. (Some aspects have not been fully executed.)

(I) *Joint resolution of August 28, 1965 (79 Stat. 578, 23 U.S.C. 101 note)*

Section 3 provides that the Secretary of Commerce shall report to Congress in January 1968 and in January of every second year thereafter his estimate of future highway needs of the Nation.

(J) *Section 525 of the act of August 2, 1946 (60 Stat. 847, 33 U.S.C. 525(c)), the General Bridge Act of 1946, as amended*

Section 525(c) provides that in case of conflict between States as to the location and plans of an interstate bridge the location and plans shall be submitted to the Bureau of Public Roads and if approved by the Bureau of Public Roads approval of State highway departments is unnecessary.

(K) *Act of April 27, 1962 (76 Stat. 59, no applicable code citation), provides for annual audit of the federally created bridge commissions*

Section 2 of the act of April 27, 1962 (76 Stat. 59), provides that the Secretary of Commerce is directed to appoint or reappoint persons as members of the bridge commissions. The Secretary may also remove any member for cause.

Section 3 of the act of April 27, 1962 (76 Stat. 59), provides that the Secretary of Commerce is to review the annual reports and audit reports submitted by the bridge commissions and submit such recommendations to the Congress, based on such review, as he deems necessary.

(L) *Reorganization Plan No. 7 of 1949 (63 Stat. 1070, 5 U.S.C. 133z—15 note)*

Transferred to the Secretary of Commerce functions of:

- (1) The Public Roads Administration.
- (2) The Commissioner of Public Roads.
- (3) The Federal Works Administrator.

LAWS TRANSFERRED FROM COMMERCE DEPARTMENT (SEC. 6(a)(2)(A))

The act of September 30, 1965 (79 Stat. 893, 49 U.S.C. 1631-1642 high-speed ground transportation) authorizes the Secretary of Commerce to:

1. Undertake research and development in high-speed ground transportation.
2. Contract for demonstrations.
3. Collect and collate transportation statistics.

LAWS TRANSFERRED FROM COMMERCE DEPARTMENT (SEC. 6(a)(2)(B))

Section 8 of the Urban Mass Transportation Act of 1964 (78 Stat. 306, 49 U.S.C. 1607)

Section 8 of this law requires the Secretary of Commerce and the Secretary of Housing and Urban Development to consult on general urban transportation policies and programs in order to assure coordination of highway, railway, and other mass transportation planning and development programs in urban areas, taking into consideration federally assisted highways. The responsibility of the Secretary of Commerce would be transferred to the Secretary of Transportation.

LAWS TRANSFERRED FROM COMMERCE DEPARTMENT (SECS. 6(a)(3)(A) AND 6(a)(3)(B))

The act of September 7, 1957 (71 Stat. 629, 49 U.S.C., 1324 note). Section 410 of the Federal Aviation Act of 1958 (72 Stat. 769, 49 U.S.C. 1380).

The Secretary of Commerce administers the program for governmental guarantees of loans to enable local air carriers to purchase aircraft suitable for such transportation on reasonable terms.

LAWS TRANSFERRED FROM COMMERCE DEPARTMENT (SEC. 6(a)(3)(C))

Title XIII, War Risk Insurance, of the Federal Aviation Act of 1958 (72 Stat. 800, 49 U.S.C. 1531-1541).

Authorizes the Secretary of Commerce, with the President's approval, to provide aviation war risk insurance to air carriers in international air transportation when such insurance is not available under reasonable terms and conditions in the commercial market.

LAWS TRANSFERRED FROM COMMERCE DEPARTMENT (SEC. 6(a)(4))

The Great Lakes Pilotage Act of 1960 (74 Stat. 259, 46 U.S.C. 216-216i).

Requires the Secretary of Commerce to assure adequate pilotage service for certain restricted waters of the Great Lakes. The Secretary, in agreement with Canada, regulates rates and operations of pilotage service. The Secretary also licenses pilots.

LAWS TRANSFERRED FROM COMMERCE DEPARTMENT (SEC. 6(a)(5))

(A) *The Merchant Marine Act, 1920* (41 Stat. 988, 46 U.S.C. 861-889, 911, 921-927, 941, 951-954, 961, 971-975, 981-984)

The Secretary of Commerce is authorized:

1. Under section 30, of this act, which is the Ship Mortgage Act, 46 U.S.C. 911, 921-927, 941, 951-954, 961, 971-975, 981-984, to make regulations covering mortgages covering U.S. vessels.

2. To investigate port congestion and remedies applicable thereto, with the object to encourage, and develop ports and facilities in connection with water-bound transportation.

3. Under section 28 to certify inadequate shipping facilities to ICC, so that agency may suspend preferential through rates.

(B) *Merchant Marine Act, 1928* (45 Stat. 689; 46 U.S.C. 891-891x)

1. Confirmed the policies of the 1920 act.

2. Secretary of Commerce has authority to recommend new vessels to be planned with reference to usefulness as naval and military auxiliaries.

3. Recondition and repair vessels, remodel and improve.

(C) *The Merchant Marine Act, 1936* (49 Stat. 1985, 46 U.S.C. 1101-1294; also see *Reorganization Plan No. 6 of 1949* (63 Stat. 1069), *Reorganization Plan No. 21 of 1950* (64 Stat. 1273), *Reorganization Plan No. 7 of 1961* (75 Stat. 840), 5 U.S.C. 1332-15 note and 46 U.S.C. 1111 note)

1. Make, amend, and terminate subsidy contracts.

2. Investigate, determine, and keep current records of ocean service, routes, lines from ports in U.S. territory, district, or possession to foreign market and type, speed and requirements for service.

3. Investigate and determine relative cost of constructing comparable vessel in the United States and foreign countries, and also such relative cost of operating vessels.

4. Charter its vessels.

5. Provide Federal ship mortgage insurance and war risk insurance.

6. Provide liaison to secure preference to American cargo vessels.

7. In cooperation with owners and builders, develop plans for economical construction of vessels and machinery.

(D) *The Shipping Act, 1916* (39 Stat. 728, 46 U.S.C. 801-842)

The Secretary is authorized by section 12 (39 Stat. 732, 46 U.S.C. 811) to investigate:

(a) The cost of building merchant vessels abroad and in the United States.

(b) Cost of operating in the foreign trade.

(c) Rules and classifications abroad.

(d) Marine insurance in the United States and abroad.

(e) Examine navigation laws and legal status of mortgage loans.

The Secretary is authorized by section 9 (39 Stat. 730, 40 Stat. 900, 46 U.S.C. 808) to approve operation of foreign-built vessels, acquired by Secretary by virtue of this section, under other than American registry.

The Secretary is authorized by section 37 (40 Stat. 901, 46 U.S.C. 835) during war or emergency to:

1. Approve U.S. citizen owned vessel transfer to foreign registry;

2. Approve sale, mortgage, lease, charter, delivery of vessel or interest therein, or shipyard to noncitizen of the United States; and

3. Grant approval to transfer mortgage bonds to foreigners.

The Secretary is authorized by section 41 (40 Stat. 902, 46 U.S.C. 839) whenever, by virtue of section 9 of this act (supra) and section 37 (supra), his approval is required to render any transaction lawful, to do so absolutely or upon condition.

(E) *The Merchant Ship Sales Act of 1946* (60 Stat. 41, 50 U.S.C. app. 1735-1746)

The Secretary of Commerce:

1. Is authorized to approve charter of war-built dry cargo vessels to U.S. citizens for bare-boat use (sec. 5(a));

2. Has responsibility for preservation and maintenance of national defense reserve fleet (sec. 11); and

3. Is authorized to charter any passenger vessel, either war-built or owned by the United States on or after June 30, 1950, pursuant to title VII of the Merchant Marine Act, 1936, and to charter any war-built vessel for use in the domestic trade section 5(f)(1).

(NOTE.—Authority to sell vessels to noncitizens under this act terminated on March 1, 1948; authority to sell vessels to citizens under this act terminated on January 15, 1951.)

(F) *The Maritime Academy Act of 1958* (72 Stat. 622; 46 U.S.C. 1381-1388) *authorizes the Secretary of Commerce to:*

1. Assist and cooperate with States and territories by furnishing training vessels if unavailable to such States as Maine, Massachusetts, New York, California, and Texas;

2. Assist by entering into agreements with such academy or college by making annual payments to such colleges; and

3. Make agreements to make subsistence payments to such school per student.

(G) *The act of June 12, 1940* (54 Stat. 346, 46 U.S.C. 1331-1334) *authorizes the Secretary of Commerce to:*

1. Examine civilian nautical schools; and

2. Rate such schools as to course of instruction, competency of instructors, suitability of equipment.

(H) *The United States Fishing Fleet Improvement Act* (74 Stat. 212 as amended by 78 Stat. 614, 46 U.S.C. 1401-1413)

1. Authorizes Maritime Administrator under section 5 (46 U.S.C. 1405) to determine and certify to the Secretary of the Interior the lowest responsible domestic bid for the construction of a fishing vessel; and

2. Supervise construction for which construction subsidy is paid.

(I) *The act of September 14, 1961* (75 Stat. 514, 46 U.S.C. 1126b-1)

The Secretary is authorized to:

1. Permit, upon designation of the Secretary of the Interior, not to exceed four persons at a time from the Trust Territories of the Pacific Islands to receive instruction at the U.S. Merchant Marine Academy.

(J) *The act of June 13, 1957, to the extent it relates to operating-differential subsidies (71 Stat. 73, 46 U.S.C. 1177a)*

The act provides that to the extent that ODS accrual is represented on the operator's books by a contingent accounts receivable item against the United States as a partial or complete offset to the recapture accrual, the operator is—

1. Excused from making deposits in special reserve fund.
2. Excused deposits in (1) receive same tax treatment as if deposited. Amounts paid on such account must be deposited in special reserve fund.

(K) *The act of June 2, 1951 (65 Stat. 59, 46 U.S.C. 1241a)*

Created vessel operations revolving fund for purpose of carrying out vessel operating functions of the Secretary of Commerce; i.e., charter, operation, maintenance, repair, reconditioning, and betterment of merchant vessels under his jurisdiction.

(L) *The act of July 24, 1956 (70 Stat. 605, 46 U.S.C. 249-249c)*

Authorizes the Secretary to award—

1. Distinguished service medal to U.S. merchant mariners for outstanding act, conduct, or valor beyond line of duty.
2. Distinguished service ribbon bar to masters, officers, members of crew in times of war or national emergency in conditions of danger.
3. Ship citation to gallant ships.

(M) *The act of August 9, 1954 (68 Stat. 675, 50 U.S.C. 196-198)*

Authorizes the Secretary of Commerce during periods in which vessels may be requisitioned under Merchant Marine Act, section 902, to—

1. Purchase, charter, requisition, take title to any vessel not owned by U.S. citizen and lying idle in waters within U.S. jurisdiction and which President deems necessary for national defense.
2. Acquire by voluntary agreement of purchase or charter the ownership of any merchant vessel not owned by citizens of United States.
3. Recondition, repair, recondition any vessel to be utilized under this act.

(N) *Section 500 of the Transportation Act, 1920 (41 Stat.; 499, 49 U.S.C. 142)*

The Secretary of Commerce is authorized—

1. To investigate the subject of water terminals, including docks, warehouses, and equipment.
2. To advise with cities and towns regarding the appropriate location of such terminals.
3. To investigate the existing status of water transportation upon the different inland waterways of the country.
4. To investigate other matters that may tend to promote and encourage inland water transportation.
5. To publish and distribute statistics and information concerning transportation on inland waterways.

(O) *Reorganization Plan No. 21 of 1950 (64 Stat. 1273; 5 U.S.C. 1332-15 note; 46 U.S.C. 1111 note)*

(P) *Reorganization Plan No. 7 of 1961 (75 Stat. 840; 5 U.S.C. 1332-15 note; 46 U.S.C. 1111 note)*

(Q) *Reorganization Plan No. 6 of 1949 (63 Stat. 1069; 5 U.S.C. 1332-15 note; 46 U.S.C. 1111 note)*

The Secretary of Commerce administers the award of subsidies and related promotional functions and is accountable for the effective conduct of such programs, including the size and character of the U.S.-flag fleet, the need for governmental assistance, and requirements for appropriations to support subsidy programs. He investigates and determines relative costs of construction and operation abroad.

NOTE.—49 U.S.C. 142 was enacted in 1920 and was a function of the Secretary of War. It was transferred to the Secretary of Commerce by sec. 6, Reorganization Plan No. 2 of 1939 (5 U.S.C. 133t note. The Inland Waterways Corporation was repealed by Public Law 88-67 (77 Stat. 81) but this section was not repealed.)

LAWS TRANSFERRED FROM COMMERCE DEPARTMENT (SEC. 6(a)(6))

The act of August 1, 1947 (61 Stat. 715, 5 U.S.C. 1161(d))

Authorizes the Secretary of Commerce to establish and fix the compensation of scientific and professional positions which require the services of specially qualified personnel.

The authority of the Secretary of Commerce under this act would be transferred only to the extent it authorizes scientific and professional positions which relate primarily to transportation.

COAST GUARD ADMINISTERED ACTS (SEC. 6(b))

Because of its position as the principal maritime enforcement agency, the Coast Guard or Coast Guard officers are named in provisions of law or are involved in the administration of many other acts such as maritime conservation acts and treaties, customs laws, criminal statutes, Corps of Engineers laws affecting navigable waters, and similar matters.

The Coast Guard also has authority to assist any Federal, State, or local government where personnel and facilities are especially qualified and available. This authority is used frequently.

The Coast Guard's status as an armed force has also led to its participation in defense activities and the commitment of personnel, vessels, and equipment to defense efforts.

Section 2 of title 14, United States Code, indicates in a very general way the scope of Coast Guard activities as follows:

1. Enforce or assist in the enforcement of all applicable Federal laws in waters in which the United States exercises jurisdiction.
2. Administer laws and promulgate and enforce regulations for the promotion of safety of life and property afloat covering all matters not delegated to some other executive department.
3. Develop, establish, maintain, and operate—
 - (a) Aids to maritime navigation;
 - (b) Icebreaking facilities; and
 - (c) Rescue facilities.
4. Maintain a state of readiness as an armed force.

Title LII, Revised Statutes, (Rev. Stat. 4399-4500), and acts supplementary thereto; chapters 2A, 7, 11, 14, and 15, title 46, United States Code.

Provide generally for the supervision of shipping and vessels from the point of view of safety. Specific functions include:

1. Supervision of construction, alteration, and repair of vessels.
2. Inspection of hulls, propulsion equipment, appurtenances, and safety equipment.
3. Licensing of officers and establishment of manning requirements.
4. Promulgation of regulations to carry out marine safety laws.
5. Investigation of marine casualties and personnel actions.

Title LIII, Revised Statutes (R.S. 4501-4612), and acts supplementary thereto; chapter 18, title 46, United States Code

Provide generally for the supervision of merchant marine personnel. Specific functions include:

1. Examination and documentation of seamen.
2. Supervision of the shipment of seamen and of their discharge and payment.
3. Supervision over the wages and effects of deceased seamen.
4. Maintenance of records of the employment of seamen.
5. Maintenance of official log books of American vessels.

Act of August 4, 1949, as amended (63 Stat. 496) (14 U.S.C. 81)

Authorizes the establishment and maintenance of:

1. Aids to maritime navigation to serve the needs of the Armed Forces or the commerce of the United States.
2. Aids to air navigation to serve the needs of the Armed Forces as requested by the Secretary of a military department.
3. Loran stations to serve the needs of the Armed Forces, maritime commerce, and air commerce, the latter as requested by the FAA Administrator.

Act of August 4, 1949, (63 Stat. 501) (14 U.S.C. 88)

Authorizes Coast Guard to:

1. Perform acts necessary to rescue and aid persons and protect and save property.
2. Take charge of property saved from marine or air disasters or floods, and care for bodies of victims.
3. Furnish shelter, supplies, and medical aid to persons assisted.
4. Destroy sunken or floating dangers to navigation.

Act of August 4, 1949 (63 Stat. 502) (14 U.S.C. 89)

Provides generally for the exercise of law enforcement authority by the Coast Guard, and by commissioned, warrant, and petty officers of the Coast Guard. Specific authority mentioned:

1. Permits the boarding of U.S. vessels to examine papers, inspect and search, and arrest for violations of U.S. law where authorized.
2. Permits enforcement of U.S. law by Coast Guard in waters over which United States has jurisdiction and upon the high seas.

Act of August 4, 1949 (63 Stat. 502) (14 U.S.C. 90)

Authorizes the maintenance of floating ocean stations to provide search and rescue, communications, and air navigation facilities and meteorological services.

Act of October 5, 1961 (75 Stat. 827) (14 U.S.C. 94)

Authorizes Coast Guard to engage in oceanographic research including use of necessary equipment and collection and analysis of data.

Act of June 15, 1917, as amended (40 Stat. 220) (50 U.S.C. 191-194)

Authorizes the establishment of a port security program during periods of national emergency and when the security of the United States is threatened.

Act of April 25, 1940 (54 Stat. 163) (46 U.S.C. 526-526u) (Motorboat Act of 1940) and act of September 2, 1958 (72 Stat. 1754) (46 U.S.C. 527-527h) (Federal Boating Act of 1958)

Provide generally for the regulation of motorboats and include—

1. Classification of motorboats.
2. Equipment requirements.
3. Prohibitions against reckless or negligent operation.
4. Numbering requirements.
5. Approval machinery for State numbering systems.
6. Penalty provisions.

Act of August 4, 1949 (63 Stat. 496) (14 U.S.C. 2) and Executive Order No. 7521, 1 F.R. 2527

Provides authority for Coast Guard to develop, establish, maintain, and operate icebreaking facilities.

LAWS TRANSFERRED FROM FAA (SEC. 6(c))

1. *Federal Aviation Act of 1958 (72 Stat. 731; 49 U.S.C. 1301-1542¹)*

Empowers the Administrator of the FAA to—

1. Control and develop the use of the navigable airspace as necessary in the interests of safety and efficiency for both civil and military aircraft;

2. Establish, operate, and maintain air navigation facilities wherever necessary;

3. Prescribe air traffic rules and regulations governing the flight of aircraft for the protection of aircraft, of persons and property on the ground, and for efficient use of the navigable airspace;

4. Undertake or supervise developmental or research work tending to improvement of aircraft or their components and to the development and use of the navigable airspace;

5. Provide for the registration and identification of aircraft and their components and maintain a system for the recording of conveyances affecting titles to or interest in any civil aircraft of the United States;

6. Promulgate rules and regulations for the issuance of the various types of airman certificates, air carrier operating certifi-

¹ Titles III, V, VI and XII relate only to powers, functions, and duties of the Administrator. Titles II, IV and VII prescribe the same solely for the Civil Aeronautics Board. The remaining titles contain general provisions applicable to both the CAB and the Administrator.

cates, airworthiness certificates, production certificates, type certificates, and air agency certificates;

7. Prescribe minimum standards for the design, construction, and performance of aircraft and their components;

8. Establish security provisions which permit maximum use of navigable airspace by civil aircraft in a manner consistent with national security.

2. *Federal Airport Act (60 Stat. 170, 49 U.S.C. 1101* ²)

Authorizes the Administrator of FAA to:

1. Prepare, periodically revise, and administer a national plan for development of public airports adequate to meet the needs of civil aviation.

2. Make and administer grants of funds to sponsors of public airport development.

3. *International Aviation Facilities Act (62 Stat. 450, 49 U.S.C. 1151* ³)

Authorizes the Administrator of FAA to:

1. Acquire and operate in foreign territory airway and airport facilities necessary to the foreign commerce of the United States.

2. Perform such other functions as training of foreign nationals and providing technical assistance to foreign governments in order to promote development of civil aviation outside the continental United States.

4.⁴ *Administration of Washington National Airport [Act of June 29, 1940 (54 Stat. 686), as amended by Act of May 15, 1947 (61 Stat. 94); and by Act of August 23, 1958 (72 Stat. 731)]*⁵

5.⁴ *Second Washington Airport Act [Act of September 7, 1950 (64 Stat. 770), as amended by Act of July 11, 1958 (72 Stat. 354); and by Act of August 23, 1958 (72 Stat. 731)]*⁶

Empower the Administrator of the FAA to control, maintain, and operate Washington National and Dulles International Airports, respectively.

LAWS TRANSFERRED FROM THE CIVIL AERONAUTICS BOARD (SEC. 6(d))

1. *Title VI of the Federal Aviation Act of 1958 (72 Stat. 775, 49 U.S.C. 1422-1430) (safety appeals).*

Under title VI, the only functions exercised by the CAB are review pursuant to section 602 of the denial by the Administrator of the FAA of applications for airmen certificates, and review pursuant to section 609 of orders of the Administrator amending, modifying, suspending, or revoking air safety certificates (i.e., certificates issued to an airman; aircraft; air carrier; air navigation facility; or air agency). Proceedings are adjudicatory in nature and are subject to the Administrative Procedure Act. CAB orders affirming the Administrator's actions or orders, or amending, modifying, or reversing such orders or actions, are subject to judicial review.

² Act of May 13, 1946, as amended. Sec. 1402(b) of FA Act of 1958 (72 Stat. 806), amended the Federal Airport Act to substitute the Administrator of FAA for Administrator of CAA and Secretary of Commerce.

³ Act of June 16, 1948, as amended. Sec. 1403 of FA Act of 1958 (72 Stat. 808) substitutes FAA for Civil Aeronautics Administration in International Aviation Facilities Act.

⁴ Neither law listed here was codified in the U.S. Code.

⁵ The Act of June 29, 1940, was amended by sec. 1402(f) of the FA Act of 1958 (72 Stat. 807) to transfer from CAA to FAA authority to manage Washington National.

⁶ The Act of Sept. 7, 1950, was amended by sec. 1402(g) of the FA Act of 1958 (72 Stat. 807) to transfer from Secretary of Commerce to FAA authority to build and manage Dulles Airport.

2. *Title VII of the Federal Aviation Act of 1958 (72 Stat. 781, as amended by 76 Stat. 921, 49 U.S.C. 1441-1443) (accident investigation).*

Under title VII, the CAB is charged with the responsibility for investigating all accidents involving civil aircraft; determining the probable cause of such accidents; making recommendations based thereon to the Administrator of the FAA designed to prevent similar accidents; making such reports public as may be deemed by it to be in the public interest; and conducting special studies and investigations to reduce accidents. CAB does not act in quasi-judicial capacity in investigation of accidents, and reports relating thereto are not admissible in evidence in actions for damages.

LAWS TRANSFERRED FROM INTERSTATE COMMERCE COMMISSION

Section 6(e)

The following is a brief explanation of the laws transferred from the Interstate Commerce Commission to the Secretary of Transportation.

Reference to laws which are only amendments to the original act have been deleted in the interest of clarity.

(1) The following laws relating generally to safety appliances and equipment on railroad engines and cars, and protection of employees and travelers:

- (A) The act of March 2, 1893 (27 Stat. 531, 45 U.S.C. 1-7).
- (B) The act of March 2, 1903 (32 Stat. 943, 45 U.S.C. 8-10).
- (C) The act of April 14, 1910 (36 Stat. 298, 45 U.S.C. 11-16)—
 - (a) Prescribes certain safety appliances for trains, locomotives, and cars used by railroads engaged in interstate commerce.
 - (b) Authorizes the ICC, after hearing, to prescribe certain other safety appliances for such equipment.
 - (c) Imposes a duty on ICC to inform U.S. attorney of any violations as may come to its knowledge.
- (D) The act of May 30, 1908 (35 Stat. 476, 45 U.S.C. 17-21)—
 - (a) Prescribes ash-pan equipment required on locomotives and specifically imposes duty on ICC to enforce this act.
- (E) The act of February 17, 1911 (36 Stat. 913, 45 U.S.C. 22-29).
- (F) The act of March 4, 1915 (38 Stat. 1192, 45 U.S.C. 30)—
 - (a) Created the office of a director of locomotive inspection and provides for the inspection of all parts and appurtenances and tenders, as well as the boilers, of locomotives used by common carrier railroads.
- (G) Reorganization Plan Numbered 3 of 1965 (79 Stat. 1320)—
 - (a) Abolishes the office of director of locomotive inspection and transfers his functions to the ICC.
- (H) Joint resolution of June 30, 1906 (34 Stat. 838, 45 U.S.C. 35)—
 - (a) Directs and authorizes the ICC to investigate and report to Congress on the use and necessity for block signals.
- (I) The act of May 27, 1908 (35 Stat. 325, 45 U.S.C. 36-37)—
 - (a) Authorizes the ICC, at its discretion, to test and report on safety appliances.
- (J) The act of March 4, 1909 (35 Stat. 965, 45 U.S.C. 37)—

- (a) Directs that ICC safety inspectors inspect mail cars and report to Postmaster General.
- (K) The act of May 6, 1910 (36 Stat. 350, 45 U.S.C. 38-43)—
 - (a) Requires railroads to report accidents on forms prescribed by ICC.
 - (b) Authorizes ICC to investigate accidents and make public reports of investigation.
- (2) The following law relating generally to hours of service of employees:
 - (A) The act of March 4, 1907 (34 Stat. 1415, 45 U.S.C. 61-64)—
 - (a) Prescribes maximum hours of service of employees of any railroad common carrier and imposes on ICC duty to inform U.S. attorney of any violations as may come to its knowledge and to enforce provisions of this act.
- (3) The following law relating generally to medals for heroism:
 - (A) The act of February 23, 1905 (33 Stat. 743, 49 U.S.C. 1201-1203)
 - (a) Authorizes the President to grant medals of honor for heroism with respect to rail or motor carrier operations.
- (4) The following law relating generally to explosives and other dangerous articles:
 - (A) Sections 831-835 of title 18, United States Code (74 Stat. 808)—
 - (a) Prohibits transportation of certain explosives on passenger vehicles operated by common carriers and shipments of such explosives without disclosing their nature.
 - (b) Authorizes ICC to prescribe regulations relating to the transportation of explosives and other dangerous articles by land, and marking and packing of such articles transported by land or water.
- (5) The following laws relating generally to standard time zones and daylight saving time:
 - (A) The act of March 19, 1918 (40 Stat. 450, 15 U.S.C. 261-264).
 - (B) The act of March 4, 1921 (41 Stat. 1446, 15 U.S.C. 265).
 - (C) The Uniform Time Act of 1966, Public Law 89-387 (80 Stat. 107).
 - (a) Establishes time zones which shall govern movement of all common carriers.
 - (b) Authorizes the ICC to define the limits of each zone.
- (6) The following provisions of the Interstate Commerce Act—
 - (A) Relating generally to safety appliances, methods and systems: Section 25 (49 U.S.C. 26)—
 - (a) Authorizes the ICC, after investigation, to prescribe installation by any railroad of block signal system, interlocking automatic train stop, or other similar appliances, etc.
 - (b) Requires carriers to file rules and regulations for installation, operation, and maintenance of such appliances, methods, or systems with ICC and, upon failure of a carrier to do so, authorizes ICC to prescribe such rules.
 - (c) Authorizes ICC to inspect such systems, etc., and to determine whether in proper condition.

(d) Requires railroads to report to ICC failures and accidents relating to such systems.

(e) Imposes duty on ICC to enforce provisions of this section.

(B) Relating generally to investigation of motor vehicle sizes, weights, and service of employees: Section 226 (49 U.S.C. 325):

(a) This is an obsolete provision, enacted in 1935, which authorized the Commission to investigate and report on the need for Federal regulation of motor vehicle sizes and weights, which investigation was completed and a report submitted to Congress in 1941. It also includes authorization for a similar investigation with respect to qualifications and maximum hours of service of employees of all motor carriers and private carriers of property by motor vehicle. The Commission found a need for such regulations and by 1940 had prescribed them under its specific power in section 204(a)(1), (2), and (3), which power now would be transferred to the Secretary of Transportation.

(C) Relating generally to qualifications and maximum hours of service of employees and safety of operation and equipment: Sections 204(a)(1) and (2), to the extent that they relate to qualifications and maximum hours of service of employees and safety of operation and equipment, and section 204(a)(3), (3a), and (5), relating to safety (24 Stat. 379, 49 U.S.C. 304).

(a) Prescribe requirements relating to qualifications and maximum hours of service of employees and safety of operation and equipment for motor common and contract carriers.

(b) Prescribe requirements relating to qualifications and maximum hours of service of employees and standards of equipment for private carriers of property by motor vehicle.

(c) Prescribe requirements relating to comfort of passengers, qualifications and maximum hours of service of employees, and safety of operation and equipment for carriers of migrant workers by motor vehicle.

(d) Avail itself of the research agencies of the Federal Government in carrying out the motor carrier safety regulations.

(D) To the extent they relate to private carriers of property by motor vehicle and carriers of migrant workers by motor vehicle other than contract carriers: Section 221 (a) and (c) and section 224 (49 U.S.C. 321 (a) and (c) and 324)—

(a) Requires that private carriers designate the name and address of the person upon whom service of notices or orders may be made.

(b) Also requires the name and address of a person upon whom processes issued by any court may be served in any proceeding at law brought against such carrier.

(c) Authorizes the ICC to require the display of suitable identification plates upon motor vehicles used in transportation subject to part II of the act.

Section 6(f)(2)

(A) This subsection provides that the Secretary shall have the same administrative powers under the Interstate Commerce Act as the Commission had before such transfer with respect to the functions transferred in subsection 6(e).

(B) This subsection provides that "administrative powers under the Interstate Commerce Act" means any functions under the following provisions of the Interstate Commerce Act: Sections 12, 13(1), 13(2), 14, 16(12), the last sentence of 18(1), 20 (except clauses (3), (4), (11), and (12) thereof), 204(a) (6) and (7), 204(c), 204(d), 205(d), 205(f), 220 (except subsec. (c) and the proviso of subsec. (a) thereof), 222 (except subsecs. (b)(2) and (b)(3) thereof), and 417(b)(1). These sections generally relate to the administrative functions of the Commission necessary to secure information, to investigate complaints, to execute and enforce provisions of the act by instituting actions in the proper courts of the United States, to issue reports and decisions, to apply to the U.S. attorney for enforcement of orders, to pay witness fees, to require reports from carriers, to administer oaths and subpoena witnesses and documents, and other provisions necessary to enforce that part of the Interstate Commerce Act which is transferred to the Department.

LAWS TRANSFERRED FROM DEPARTMENT OF THE ARMY (SEC. 6(g))

(1)(A) Section 7 of the River and Harbor Act of March 4, 1915 (38 Stat. 1053, 33 U.S.C. 471); and

(B) Article 11 of section 1 of the act of June 7, 1897 (30 Stat. 98; 33 U.S.C. 180).

(C) Rule 9 of section 1 of the act of February 8, 1895 (28 Stat. 647; 33 U.S.C. 258).

(D) Rule numbered 13 of section 4233 of the Revised Statutes (33 U.S.C. 322).

Authorizing the Secretary of the Army to establish anchorage grounds for vessels in all harbors, rivers, bays, and other navigable waters of the United States. These areas are reserved for vessels to unload or load cargoes, or to await clearance for entering a harbor or approaching a dock, and also for small vessels not exceeding 65 feet in length to anchor without anchor lights.

(2) Section 5 of the act of August 18, 1894 (28 Stat. 362, 33 U.S.C. 499).

Authorizes the Secretary of the Army to prescribe such rules and regulations as in his opinion the public interests require, to govern the opening of drawbridges built across the navigable rivers and other waters of the United States, for the passage of vessels and other watercraft.

(3) The act of June 21, 1940 (54 Stat. 497, 33 U.S.C. 511-524) (Truman-Hobbs Act).

Railroad and publicly owned highway bridges determined by the Secretary of the Army to be unreasonably obstructive to the free navigation of any navigable waters of the United States may be required to be altered by the owner so as to remove such obstruction. The Federal Government shares in the cost of such alterations in accordance with the formula established at 33 U.S.C. 516.

(4)(A) Section 4 of the act of August 23, 1906 (34 Stat. 85, 33 U.S.C. 494);

(B) Section 503 of the General Bridge Act of August 2, 1946 (60 Stat. 847, 33 U.S.C. 526);

(C) Section 17 of the act of June 10, 1930 (46 Stat. 552, 33 U.S.C. 498a);

(D) Act of June 27, 1930 (46 Stat. 821, 33 U.S.C. 498b); and

(E) Act of August 21, 1935 (49 Stat. 670, 33 U.S.C. 503-507).

The Secretary of the Army is authorized to review and determine the reasonableness of rates charged for transit across a bridge over navigable waters by the bridge owner. With some limited exceptions, toll bridge rates are subject to the Secretary's regulatory rates. The exceptions would be bridges built under the authority of the legislature of the State across rivers or other waterways the navigable portions of which lie wholly within the limits of a single State, bridges on which the tolls are prescribed by a contract entered into by or with any State or political subdivision thereof, or any municipality, and international bridges, where the enacting legislation of such bridges did not make them specifically subject to the 1906 act. Also excepted are intrastate bridges constructed under the authority of the 1946 act.

(5)(A) Act of August 30, 1961 (75 Stat. 402), Oil Pollution Act, 1961. (33 U.S.C. 1001-1015.)

The Oil Pollution Act, 1961, implements the provisions of the International Convention for the Prevention of the Pollution of the Sea by Oil, 1954. The act implements the convention by prohibiting American ships from discharging waste in any of the zones named, including 50 miles around our own coasts; provides for the keeping of records showing where such wastes were discharged; and provides for the inspection of oil record books. The Secretary of the Army generally administers the provisions of this act.

(6) (A) Section 9 of the act of March 3, 1899 (30 Stat. 1151, 33 U.S.C. 401);

(B) The act of March 23, 1906 (34 Stat. 84, 33 U.S.C. 491-498) (the General Bridge Act of 1906); and

(C) The act of August 2, 1946 (60 Stat. 847, 33 U.S.C. 525-539) (the General Bridge Act of 1946).

The location and plan for bridges over the navigable waters of the United States are required to be approved by the Chief of Engineers and the Secretary of the Army before construction is commenced. It is the responsibility of the Chief of Engineers and the Secretary of the Army under these laws to assure that such bridges provide adequate clearances for the reasonable needs of navigation at the least cost to both land and water transportation.

(NOTE.—Sec. 9 of the act of March 3, 1899, requires the consent of Congress or a State legislature, and approval of the Chief of Engineers and Secretary of the Army for the construction of any bridge, dam, dike, or causeway in navigable waters of the United States. Under the proposed legislation, the Department of the Army would retain responsibility for administering those provisions of sec. 9 as it relates to dams and dikes. Causeways are considered to be bridges and authority therefor would be transferred to the Department of Transportation.)

ADDITIONAL VIEWS OF HON. BENJAMIN S. ROSENTHAL

I enthusiastically endorse this legislation. It acknowledges an important principle in modern politics—the quality of any Federal effort is largely a function of how that effort is organized. Progressive administration rarely ransoms faulty programs; but it continues to be a necessary condition for successful ones. And I concur with the committee's finding that this is particularly true for our national transportation policy.

I wish to emphasize the committee's special concern with the social costs of transportation, and cite a specific instance where I believe we can be more aggressive in protecting the public interest.

The need for passenger safety is recognized in the proposed coordination of all Federal safety activities under a single department, and in the creation of the National Transportation Safety Board with firm statutory powers relating to all modes of transportation. The argument for such policy and for a single safety board is highly persuasive. Safety activity must be conducted by officials who are not distracted by other competing responsibilities.

These points are convincing with regard to transportation safety. Yet I believe they are equally applicable to another important social cost of transportation—noise.

For several years, Congress has noted the increased need for aircraft noise abatement. In 1962 and 1963 extensive hearings on aircraft noise problems were conducted by the House Committee on Interstate and Foreign Commerce. These hearings solicited the views of many people already interested in noise abatement, and stimulated the concern of those previously unacquainted with the field. Only this year, however, did we receive a sufficiently clear Presidential statement stressing the need for "a concerted effort to alleviate the problems of aircraft noise." Efforts over the past years have been far less concerted than many of us in Congress have thought necessary and believed possible. Airplane manufacturers have not been falling over each other in competition to produce quieter aircraft. Noise abatement research and development, after all, hardly promises higher profits. Indeed, it can be said that noise abatement has been to the airline industry what safety engineering has been to the automobile industry. It has been, in short, an irritating and costly sacrifice which private industry is understandably reluctant to undertake.

What progress has been made is largely due to the outcry of aggrieved citizens living near airports, and their representatives in Congress. Yet the constituency for noise abatement is predictably less organized and powerful than those interests who would offhandedly dismiss aircraft noise as a regrettable but necessary social inconvenience. I believe the Congress is unwilling to be an accomplice to that irresponsibility. Accordingly, I feel we must act to assist the executive branch in a more energetic response to aircraft noise abatement needs.

Up to now, the National Aeronautics and Space Administration and the Federal Aviation Agency have followed separate and modest research and development programs. For example, in fiscal 1966, NASA, which is principally responsible for such aeronautical research and development, requested absolutely nothing for noise abatement suppression studies.¹ For fiscal 1967, NASA asked for \$3 million, though more than half of this is to be spent on sonic boom research. The weakness of this effort is appalling given the clear and present public need.

The Federal Aviation Agency has moved with little more energy. Only this month did it request authority to prescribe standards and regulations for noise abatement, and to seek power to implement such standards in the issuance or suspension of aircraft certification.

In my view, these activities have been so modest because they have lacked any specific and vigorous statutory instruction. They have been so limited because no office has been specifically designated by the Congress to study and prosecute noise abatement policy. The conditions requiring an effective Federal aircraft noise abatement program, in other words, are exactly similar to those arguing for a strong transportation safety policy. The effort must be centralized, coordinated, designated by statute, and instructed to direct all its energies to a single purpose.

For that reason, I had offered in committee an amendment to establish within the proposed Department an Office of Aircraft Noise Control and Abatement. As projected the Office would take upon itself the supervision of all those aircraft noise abatement operations presently being pursued by Government agencies. More important, it would be the Office to which new programs of research and regulation would be assigned.

Just as a new Department is a precondition for vigorous new transportation policy, so an Office of Aircraft Noise Control and Abatement is a requisite for new abatement activities. This seems to be the logical outgrowth of all recent discussion, including the President's Special Panel on Jet Aircraft Noise whose March 1966 report concluded:

Initiative for solving problems of jet aircraft noise can effectively come only from a source not compromised by economic interests in conflict with those of the major groups now involved—engine and aircraft manufacturers, airline operators, and local governments. And there is only one source meeting this constraint which can be functionally effective—the Federal Government.

Finally, I approve the committee's decision, expressed in subsection 4(a), to place specific responsibility on the Secretary of Transportation to promote aircraft noise abatement. I would point out, however, that NASA, FAA, and the Office of Transportation in the Department of Commerce have all received from time to time such broad and general indications of congressional concern. Apparently these have not been adequate. For past experience has not convinced many of us that the executive departments, left to themselves with vague designation of duty, have produced vigorous programs. Nor are we confident that ad hoc interagency committees established by

¹ Hearings on 1967 NASA authorization before the Committee on Science and Astronautics, p. 196.

Executive order will have sufficient power and resources to direct the sort of effort that is so clearly necessary.

The President and his Advisory Panel have acknowledged that the aircraft noise problem will get worse before it gets better. Accordingly, Congress must now assign responsibilities directly, specifically, and by statute. We simply cannot let this problem be the victim of administrative apathy and bureaucratic ambiguity.

I appreciate the committee's desire to provide the Secretary of Transportation with flexibility in the organization of his duties. I am not anxious to tie his hands. Nor, however, do I wish to allow him to keep them in his pockets. I recommend, therefore, an Office of Aircraft Noise Control and Abatement in the new Department of Transportation.

BENJAMIN S. ROSENTHAL.

ADDITIONAL VIEWS OF HON. FLORENCE P. DWYER, HON. OGDEN R. REID, HON. FRANK J. HORTON, HON. DONALD RUMSFELD, HON. WILLIAM L. DICKINSON, HON. JOHN N. ERLNBORN, HON. JOHN W. WYDLER, AND HON. CLARENCE J. BROWN, JR.

We support the establishment of the Department of Transportation and urge the enactment of H.R. 15963.

The United States is the most highly developed and technologically advanced society in the world. In such a society, a modern, efficient, safe, and economical transportation network is of paramount importance. As the Republican coordinating committee stated in its recently issued task force report on "Transportation in Modern America":

Transportation is the lifeblood of America's economy. Together with its sister industry, communications, transportation is the greatest common denominator of American commerce and industry. It is a factor indispensable to all economic activities. A physically sound, modern, and efficiently operated transportation system is an indispensable component of our national security and defense.

Without such a system of transportation, the businessman or farmer will be unable to market his goods efficiently and cheaply, the consumer's choice of products to fulfill material needs will be restricted and costly, the military's ability to meet the requirements of national defense will be undermined, and the workman and housewife will be impaired in their efforts to travel to job or store. In sum, a deficient transportation system can impede or immobilize our economy and endanger our national defense.

THE IMPORTANCE OF TRANSPORTATION

A brief recitation of economic statistics relating to transportation will highlight the basic importance of transportation to the life and well-being of every citizen in the Nation:

(1) Gross national product in 1965 was \$675 billion; for 1966 it may exceed \$725 billion and will reach \$1 trillion in the near future. Of this, approximately 20 percent may be related directly or indirectly to outlays for transportation.

(2) In 1945 America's population was about 140 million; today it approaches 200 million; and projections indicate that by the end of the century it will double.

(3) In 1946 there were 31 million motor vehicles; in 1966 there are about 90 million; and the projection for 1975 is 120 million.

(4) In 1946 there were 1.5 million miles of paved roads and streets; today, there are over $3\frac{1}{4}$ million miles.

(5) In 1946 there were 38,000 private and commercial aircraft and the latter flew 209 million miles; in 1965, there were approxi-

mately 100,000 such craft and the commercial carriers flew 1 billion miles.

(6) In 1941 619 billion ton-miles of cargo were moved by the industry; in 1966, 1.6 trillion ton-miles were moved and this figure will at least double in 20 years.

(7) Total intercity passenger-miles have now reached a rate of 900 billion annually and will double in 20 years.

(8) Annually, transportation consumes approximately 71 percent of all rubber products; 52 percent of petroleum; 53 percent of lead; 29 percent of steel; 22 percent of aluminum; 28 percent of cement; and 19 percent of copper.

(9) Net investment in privately owned and operated transportation plant, equipment, and facilities totals \$140 billion—10 percent of all privately owned assets in the United States; and the public investment in transportation annually is about \$15 billion.

(10) Approximately 14 percent of the total civilian employment is in some phase of transportation.

(11) Nearly 18 cents of each tax dollar is donated to transportation resources.

SIGNIFICANT ACHIEVEMENT IN THE PAST

As documented by the figures above, the transportation industry deserves recognition of its achievements. In spite of rapidly growing population, an ever-increasing movement of goods and people, and a continuing demand for greater investment in plant and equipment, the industry has generally managed to keep abreast of demand. And, although the Federal Government has significantly assisted in the development of transportation, basic credit must go to private enterprise which has shouldered the major burden of operating and financing the system.

BUT SERIOUS PROBLEMS REMAIN

The fact that we have managed to keep our heads above water, however, must not blind us to the fact that serious shortcomings exist. While we are in the midst of constructing an advanced Interstate Highway System, secondary roads and urban thoroughfares become increasingly outdated. While we are in the midst of developing a supersonic air transport, our merchant marine declines to that of a fourth-rate power. While a passenger can fly from one city to another in a matter of minutes or hours, the same passenger can spend an equal period of time traveling the short distance from the airport to home. While our highways are growing increasingly overcrowded with cars and trucks, railroads are discontinuing passenger service and failing to replace freight cars and other equipment. These and other problems will continue to multiply and worsen unless we seek some basic solutions.

THE NEED FOR FEDERAL COORDINATION

The Federal Government has aided in the past and continues to aid the various modes of transportation through various forms of financial assistance. Yet, because of the lack of a national transportation policy, the absence of coordination in research and regulation,

imbalance in promotional efforts, indifference to its own influence as a prime user of transportation, and the overburdening of shippers and carriers by forms and records, the Government has failed to develop as adequate and balanced a transport system as is now required by our society and economy.

In particular, the promotion and regulation of transportation by the Federal Government is conducted in a piecemeal fashion. Each mode of transportation is handled by a different agency of Government. While certain of these agencies—FAA, ICC, CAB—have autonomous status, others are mere appendages of large departments—Bureau of Public Roads, Coast Guard, Federal Maritime Administration. Moreover, within any particular mode of transportation, duties and responsibilities are frequently divided among more than one agency. The CAB and the FAA both engage in aviation activities. NASA is also involved in various phases of aviation while HUD has been assigned certain aircraft-noise-abatement responsibilities. The Federal Maritime Administration and the Federal Maritime Commission are assigned maritime responsibilities, while the Coast Guard, Bureau of Customs, Corps of Engineers, and ICC are also involved to a greater or lesser extent in water transportation. The ICC has been granted authority over railroads, motor carriers, and pipelines in addition to certain inland water carriage duties. Yet, the Department of Commerce is involved in high-speed rail transportation and certain aspects of automobile safety, the FPC is concerned with pipeline regulation, and HUD has responsibility for urban mass transportation. Other agencies are also involved in various phases of transportation, and innumerable examples can be found where duplication, divisiveness, and inconsistency exist.

In the light of this situation, we believe that the need now exists for setting up the machinery to develop a coordinated and unified approach to transportation within the free enterprise system in order to attack problems, correct deficiencies, establish order, advance the art, and better assist the promotion of the industry. The plethora of agencies dealing with the various modes and phases of transportation does not lend itself to a unified approach; nor does the failure of Congress to develop an overall transportation policy which can mold the various components of transport into a cohesive whole. For these reasons, we believe that a Department of Transportation should be established which will be in a position to examine the industry from an overall vantage point, coordinate the Federal responsibilities in transportation, and make recommendations to Congress for its approval or necessary changes.

THE REPUBLICAN PRECEDENT

In supporting this position, we are following in the footsteps of many leading Republicans who have urged such a measure in the past. The Hoover Commission Task Force on Transportation recommended the creation of a department in 1946. President Eisenhower did the same in his budget message of fiscal year 1961. Senators Capehart and Case introduced legislation to this effect, as have Congressman Younger and other Republican Members. Most recently, the task force on transportation of the Republican coordi-

nating committee endorsed the establishment of a department in its report of June 27, 1966.

It is also significant that almost every segment of the industry testified in favor of creating a Department of Transportation, although each presented specific reservations or objections as they may have related to its own mode. The maritime industry did urge the establishment of an independent agency though it acknowledged that a new department may improve their situation.

In taking a stand for a new Department of Transportation, however, we wish to make it clear that (1) we support the continued operation of the transportation industry by private enterprise, (2) the Federal Government should make every effort to reduce regulation, subsidy and needless paperwork, (3) Government promotional efforts should be nondiscriminatory and one mode of transportation should not be advanced at the expense of another mode, and (4) any development or revision of national transportation policy should be transmitted to Congress for its approval.

NOT A PANACEA

We must also caution that, while we endorse the concept of a Department of Transportation, we wish it to be recognized that the creation of the Department will not resolve all problems. The interests and operations of the industry are too disparate in nature, and the problems it faces are too complex to expect that major improvements can be made merely through changes in Government organization. Through the establishment of the Department, policies can be established and programs can be set in motion which can place the industry on the road to improvement. But, much depends, of course, on establishing the right type of organization, giving it necessary authority, and making certain that it effectively carries out the mandate of Congress.

DEPARTMENT TO HAVE LIMITED AUTHORITY AND RESPONSIBILITY

Economic regulation

This having been said, it must be recognized that the Department of Transportation, now being proposed, will not, in many respects, be given adequate authority to cope with the problems. In this respect, probably the most significant absence of authority is in the field of economic regulation. Under section 6, the Department will be given authority over promotional and safety matters, as they relate to transportation, but none of the economic regulatory functions and duties now resting in the transportation regulatory agencies are to be transferred. The Interstate Commerce Commission, the Civil Aeronautics Board, and the Federal Maritime Commission will continue to have sole responsibility for passing upon routes, rates and related economic activities of railroads, trucks, water carriers, pipelines and airlines. This is not to say that there are not good reasons for continuing this arrangement. The quasi-judicial nature of their operations dictates that these regulatory agencies remain separate from and independent of executive-type functions which will be carried on by the new Department. But, it must be realized that while section 2 declares that the Department is to be established in order to facilitate

the development and improvement of coordinated transportation services and while there has been a great deal of talk about the need for developing a unified organizational approach to the subject of transportation, the Department, as created, will only be given limited responsibility.

Urban mass transportation

The movement of large numbers of people cheaply and efficiently within metropolitan areas is perhaps the greatest transportation problem facing the Nation today. In city after city individuals, especially those of limited means, are subject to hardship and discomfort because of the absence of adequate mass transportation. Both central city and suburb have been damaged by this transportation imbalance and its consequences—overcrowded highways, irrational use of scarce land, high cost of transportation, inconsistent routes and schedules, etc. At the same time, other segments of the industry have either been constructing more roads and airports, or discontinuing commuting and intercity rail transportation—all of which have resulted in increased dislocations and relocations.

It would seem obvious, then, that the close relationship and interdependence between urban mass transportation and the other forms of transportation would dictate that the urban mass transportation program be transferred from the Department of Housing and Urban Affairs to the new Department. This is not contemplated at this time, however. Instead, the administration plans to have the matter studied for a year on the theory that the program has only recently been assigned to HUD and should be given an opportunity to be organized before transferring it again.

Although an argument can be made that urban mass transit is closely allied to urban problems, it is more clearly an integral aspect of transportation. The fact that this program has only recently been assigned to HUD would seem to be a factor favoring its transfer to the new Department at this time.

If this program is not transferred at this time, however, we firmly believe that a decision as to its ultimate location should be made within 1 year. While the President's message only calls for a 1-year study of this matter, there is nothing in the legislation which requires that a final decision be made within 1 year. Unless every effort be made to see that a decision is reached within this period, the urban mass transit program could drift on ineffectually to the detriment of the urban area dweller, the revitalization of metropolitan areas, and the development of national transportation policy. And, since present evidence so clearly seems to justify the transfer to the new Department, we strongly recommend that it be made after the study has been completed unless overwhelming justification is presented to the contrary.

In view of the urgency of the transportation problem in urban areas and of the increasing importance of mass transportation facilities in solving that problem, we would expect that any reorganization plan proposing the transfer of the mass transportation program from HUD to the Department of Transportation would provide for (a) an equal organizational and operational status for mass transportation in the new Department, and (b) procedures which will assure the fullest coordination of highway and mass transit in the planning and construction of urban transportation systems.

Aircraft noise abatement

Another deficiency in the proposed legislation creating a Department of Transportation relates to the failure to deal adequately with the subject of aircraft noise abatement. Urban dwellers face a severe disruption of life due to the noise created by aircraft flying over metropolitan areas. Those who live in such areas, and they are the majority of the population, have been fighting for years to obtain remedial action for this problem. Not only has little been done, but no one in government has assumed direct responsibility for taking such corrective action. Yet, when certain members of the committee sought to establish an Office of Aircraft Noise Abatement within the Department which would be directly responsible for conducting research and establishing standards to reduce this nuisance, they were voted down on the grounds that the organizational structure of the Department should not be upset by affixing definite responsibility within a designated segment of the Department. Instead, it was agreed, reluctantly, that the duties of the Secretary in section 4 be amended to provide that, among his other duties, he should conduct research on the problem. This could mean that once again no one will take effective responsibility for abating aircraft noise.

Exemption of the Federal Government as a user of transportation

This proposed legislation is also deficient in that it fails to deal with the activities of the Federal Government as they relate to the use of transportation. Section 2 declares that the Department is to be established in order to assure the coordinated, effective administration of the transportation programs of the Government. This is of vital importance since the Government is the largest single user of transportation services and facilities. Its behavior as a user has a major effect upon the industry. Yet, nowhere in the bill is the Department of Transportation given such coordinating authority. To the contrary, in section 7, which relates to the establishment of standards and criteria for the efficient investment of Federal funds, the Federal Government, as a user of transportation, is specifically excluded. The sole measure of authority given to the Secretary of Transportation in this regard is in section 4 where the Secretary is permitted to "consult" with Federal agencies as to their transportation requirements. As a result, the Post Office Department will be permitted to pull off railway postal cars, the Department of Agriculture will be free to pressure for discriminatory railway rates for the carriage of surplus grain, the Department of Defense will be able to force uneconomical maritime rates for the carriage of troops and supplies, etc., all to the detriment of healthy railroads, merchant marine, and other modes of transport. In the same manner, excluding the Government's own activities in the field of transportation from the purview of the act will dampen any efforts that could be made to lessen the Government's competition with private enterprise in this field. The Republican task force on transportation dealt with this problem when it stated in its recent report:

Today the Federal Government is engaged in a wide variety of transportation enterprises. It is a very great challenge to the private enterprise system when the Federal Government is already the largest electrical power producer, the largest insurer, the largest lender, the largest borrower,

the largest landlord, the largest shipowner, the largest truck operator, the largest shipper, and even runs railroads and airlines.

Some of these operations are necessary to the national defense. But too often they compete with private enterprise through making it more difficult for taxpaying businesses to survive. We believe that in the absence of national defense considerations, the Federal Government should not transport persons or property which privately owned carriers are fit, willing, and able to carry.

We believe that there is a growing need for a thorough examination of this issue.

SAFETY BOARD'S LACK OF INDEPENDENCE AND AUTHORITY

Of all the issues raised on the subject of transportation, the one that has perhaps promoted the greatest discussion is that of safety. The President in his message on transportation devoted considerable space to this item. Throughout the hearings, the supporters of the new Department repeatedly stressed the benefits to be gained by having one agency of Government involve itself in the safety aspects of all modes of transportation.

In particular, reference was made to the advances in the field of safety that could be made by the National Transportation Safety Board which is to be created along with the Department. This Board, many have been led to believe, would be designed to serve as an independent check upon the operations of the Department and of the industry, would appraise objectively the problems of safety from an overall vantage point, would conduct investigations into the causes of accidents, and would be in a position to propose necessary solutions to the causes of accidents.

The fact is, though, that the Safety Board will not be completely independent of the Department. Instead, its appropriations, and thus, in some measure its scope of operations will be controlled by the Department. In addition, it will have no authority to conduct its own accident investigations. Rather, such investigations will be conducted by the Department which will also be charged with the institution of safety regulations, inspections, and other practices that could contribute to the causing of accidents. The Safety Board, in its own right, will be assigned only the duties of determining the cause of accidents (after the investigations have been completed), passing upon the revocation of licenses and certificates, conducting studies, submitting recommendations to the Secretary, and arranging to participate in accident investigations conducted by the Secretary. It is correct that the gathering together of these various safety functions within one body may afford some improvement over existing conditions. It is also true that the bill was wisely amended to provide that the Safety Board shall make public all reports, orders, decisions, rules, and regulations that it issues and also make public every recommendation that it makes to the Secretary, every special study it conducts and every action by the Board requiring the Secretary to take action under section 5. Yet, it may be questioned how great these improvements will be. The reason for our concern is that we question whether any agency will supply the necessary degree of objec-

tivity to an accident investigation when its own policies and practices may be subjected to questioning by so doing. An examination of the practices conducted in the field of aviation accident investigations throws particular light upon this issue.

For many years, the promotion of aviation and airways systems, the operation of navigational aids and control tower systems, and the promulgation of safety rules and regulations were assigned to the same agency of Government which was responsible for the investigation of aviation accidents. The result was less than satisfactory. In fact, complaints and accusations among industry representatives, Government personnel, and outside observers became so pronounced that Congress in 1958 enacted the Federal Aviation Act.

Under this act, an independent Federal Aviation Agency was established which was to have control over regulation of the airways and over various promotional aspects of aviation. By the same act, there was created the independent Civil Aeronautics Board which was charged with the economic regulation of aviation and with the conduct of aviation accident investigations. In the latter instance, the CAB created a Bureau of Safety which, over the years, has acquired an outstanding reputation for experience, thoroughness, and impartiality in the investigation of aviation accidents. Since establishment of these twin but independent bodies, aviation has prospered and air safety has been advanced.

Now, under the legislation to create a Department of Transportation, this successful working system may be seriously damaged.

The functions of the Federal Aviation Agency are to be transferred to the new Department and so are those of the CAB's Bureau of Safety. If such is permitted to happen, we will have gone full circle back to the less than satisfactory arrangements that existed prior to 1958.

It is recognized that the FAA functions are to be transferred to the Federal Aviation Administrator within the new Department while the Bureau of Safety will be transferred to a separate Office of Accident Investigation. But, the overall result will be the same; namely, both functions will be under the control of a single Department head. No independent tribunal will exist to check errors in safety committed by the Department as the CAB was able to do over the FAA. Of course, the newly proposed National Transportation Safety Board will be able to review investigations conducted by the Department. It may also be permitted to participate in them and to request the Secretary to gather additional information. But, such an arrangement cannot carry the same force as a safety board which was in a position to direct its own independent investigation.

If this seems a somewhat academic argument, it must not be forgotten that the FAA, despite an excellent record, has been found deficient in the past in the performance of some safety responsibilities.

Only last month, the CAB, upon completion of an accident investigation in Kansas City, urged the FAA to institute new regulations requiring airlines to give their pilots special instruction on the dangers of the tire-floating phenomenon called aquaplaning or hydroplaning which occurs when a thin film of water develops on a runway. As a result of this phenomenon together with the fact that, according to the CAB, the FAA personnel on the ground failed to provide all the reported weather information to the pilot, the aircraft rolled off the end of the runway while attempting to land and broke into three

parts. The CAB has also reported that aquaplaning was involved in 18 other accidents between 1959 and 1962.

Similarly, the Government as well as an airline were found guilty in a judicial decision of "concurrent carelessness and negligence" in a 1962 crash that occurred at Kennedy International Airport which resulted in 26 deaths. In assessing liability for the accident, the court found that the Government as well as the airline was at fault in permitting the aircraft to land in dense fog while allowing the pilot to believe that visibility was 1 mile.

Along these same lines, an airline plane was forced to ditch in the North Atlantic at night in September 1962. One of the key issues in this accident was whether or not safety equipment for ditching emergencies, approved by the FAA, was adequate. The accident was investigated by the CAB which determined that rescue would have been enhanced if lifejackets had been provided with lights. Since they had not been, a number of passengers were not rescued.

It must be recognized, then, that if accidents can occur in spite of all the safety precautions that can be taken and in spite of the independent check that the CAB has over the FAA, how much more numerous and serious may such accidents become if we loosen or downgrade the checks and controls. Accidents do continue to occur but since the passage of the Federal Aviation Act of 1958, great strides have been made in aviation safety. It would seem to be worse than foolhardy to do damage to this effective and workable arrangement. And, it may be worth adding that those that have the most to lose through inferior air safety—the airlines—themselves strongly testified in favor of retaining the separation between safety regulation and accident investigation.

A logical solution, of course, would be to leave aviation accident investigation within the CAB. But, recognizing that there may be value in consolidating safety and accident investigation for all modes of transportation within one body, a satisfactory alternative would be to transfer the functions of aviation accident investigations to the National Transportation Safety Board. As a corollary, every effort must be made by the Secretary to obtain adequate appropriations for the Safety Board. The legislation specifies that the Board is to be independent of the Department. But, unless the Board receives sufficient money to carry out its duties fully and effectively, its independence could be jeopardized.

INVESTMENT STANDARDS AND CRITERIA

The remaining provision of the proposed legislation which is open to question is section 7. This section authorizes the Secretary of Transportation to develop standards and criteria for the investment of Federal funds in transportation. Every Federal agency intending to submit a proposal for the expenditure of Federal funds concerning which the Secretary has issued standards and criteria is required to conform the proposal to such standards and criteria and also to other requirements imposed by the Secretary relating to growth projections, transportation needs, relative efficiency of various transport modes, available transportation services, and the general effect the proposed investment would have on the overall transportation system of the area, the region, and the national economy.

This section could be interpreted as giving the Secretary the authority to determine whether the investment of Federal money should be made on behalf of one mode of transportation or another, or whether money should be invested in neither. If the Secretary would have this right to determine how money is to be invested and for what purposes, the section could invade, at least to some extent, the authority and prerogatives of Congress and could establish a harmful precedent.

Of all the bill's weaknesses pointed out by witnesses who appeared before our committee, section 7 met the most resistance. In fact, the section was criticized even by those witnesses who otherwise supported the establishment of a Department of Transportation. We have also been led to believe that some officials within the administration themselves are lukewarm over the enactment of section 7. And, the Transportation Association of America whose membership represents all modes of transportation, plus shippers and investors, and which has otherwise strongly supported creation of the new department, has announced its opposition to this section. In lieu of enacting the section, the association has urged that the matter be studied by the Secretary of the Treasury before further consideration be given to it.

It is recognized that section 7 has been considerably amended since its introduction. The original version exempted from coverage (1) transportation equipment and facilities acquired by the Federal Government, (2) an interocean canal outside the continental United States, (3) defense features included in civilian transportation at the direction of the Defense Department, and (4) programs of foreign assistance. As reported from committee, (5) grant-in-aid programs, and (6) water resource projects have also been exempted. To this extent, the potentially harmful effect of this section has been greatly lessened.

Yet, we believe that section 7 in its more restricted form could still be subject to abuse if the Secretary sought to use it as an indirect means for establishing national transportation policy through the adoption of transportation investment standards without seeking congressional approval.

It is recognized that section 4(e) prohibits the enactment of standards and criteria by the Secretary which are "contrary to or inconsistent with" acts of Congress. The fact, however, that Congress has passed few, if any, laws prescribing investment standards and criteria for transportation could possibly mean that the Secretary would still be free to establish new standards and criteria in a way which might interfere with transportation policy.

In addition, we believe that section 7 may be subject to misuse if the Secretary were led to concentrate upon investments in some forms of transportation but not others. In regard to this latter point, the very fact that so many types of transportation investment programs have been exempted under the section could mean that the Secretary might place undue emphasis upon those which remain. Such an imbalance, if it were to occur, could adversely affect the operation of both those programs considered and those precluded from consideration.

Spending on air traffic centers and aviation systems would remain under his control, while the construction of airports would not. The

alteration of bridges under the Truman-Hobbs Act in the interest of navigation would continue to be considered while the construction of highway bridges and feeder roads would not. The expenditure of funds for marine navigation and shipping aids would be subjected to his control while many other phases of ship safety and water navigation would not. These are but some examples of inconsistent administration that could result.

There would seem to be considerable merit, then, in deleting section 7 and having this matter studied for a year as may occur in the case of the Urban Mass Transit Act and as has been proposed by the Transportation Association of America, or, in the alternative, limiting the Secretary's authority under this section to that of recommending investment standards and criteria to Congress for its approval as is required in the case of national transportation policy. If the section is to remain in the bill, however, we believe that the Secretary must exert every effort to avoid the pitfalls pointed out above.

CONCLUSION

We support the establishment of the Department of Transportation. The increasing demands made by society upon all facets of transportation require that the research, promotional, and safety aspects of transportation be dealt with in a coordinated and integrated manner. In supporting the establishment of the Department, however, we believe that there are areas where the legislation can be improved. Not only are certain important transportation activities excluded, but the assignment to the Department of responsibility for aviation accident investigations is open to serious question. In addition, the grant of authority to the Secretary under section 7 to develop investment standards and criteria could invade the policy-making authority of Congress and could cause a harmful imbalance among the various modes of transportation in the investment of Federal funds if improperly administered. We recommend, then, that the bill be improved in those areas discussed above. We also urge the establishment of a Commission on the Organization of the Executive Branch of the Government. The fact that important areas of transportation have been excluded from this bill points to the need for the creation of a new Hoover-type commission which will be charged with the responsibility for conducting an overall examination of Federal Government organization.

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ADDITIONAL VIEWS OF HON. HOWARD H. CALLAWAY AND HON. ROBERT DOLE

We endorse the general concept of a Department of Transportation. There may be a need for establishing such a Department in order to move travelers and goods more rapidly, efficiently, safely, and economically. But we do not believe that the presently proposed Department will cure existing ills, relieve existing burdens, or resolve existing problems. In fact, we are of the opinion that the Department of Transportation, as presently proposed, would create more harm than good. Only half in jest, we feel that the American public is about to be taken for a ride.

FRACTURED RESPONSIBILITY

We are told that there is a lack of coordination among the present modes of transportation; that research in transportation is disorganized; that transportation equipment and methods of operation are outdated; and that traffic safety is being ignored. To overcome these enumerated shortcomings, we are asked to create a new department.

But, will this new Department in fact solve these problems? Let us look at what is proposed and determine for ourselves.

The Federal Aviation Agency will be transferred to the Department, but not the Civil Aeronautics Board, NASA, or the Military Airlift Command. Thus, the Department will have only a partial voice in aviation.

The Maritime Administration and the Coast Guard will be incorporated within the Department, but not the Maritime Commission, the Bureau of Customs, or the Military Sea Transport Service. Thus, the Department will have only a piece of water transportation.

The high-speed ground transportation program will be transferred, but not the railroad functions of the ICC or the urban mass transportation program. Thus, the Department will have only a share of rail transportation matters.

These are only some examples of the fractured responsibility that will occur between existing transportation agencies and the proposed Department. We are not suggesting that all of these agencies should be combined into one superstructure of Government. We frankly do not know at this time what the best form of transportation organization should be. Far more study is required of this issue before an answer can be developed. What we are saying is that creating a piecemeal structure, as is now proposed, is not the answer.

THE HEALTH OF THE INDUSTRY

We are told that our transportation system is antiquated. We are told that travelers and shippers are frustrated and lose time and money. We are told that congestion is mounting. We are told that technological advances are being ignored.

In some cases these conditions exist; in others they don't. It would seem desirable then to separate good from bad, determine what prompts this disparity, and who is to blame. It is also necessary to determine whether the new Department will offer a cure.

Merchant Marine

No one would argue that the American merchant marine is in good shape. Its vessels are outdated, its operating costs continue to rise faster than those of foreign competition, and its carriage of cargo continues to decline. Today, the United States has sunk to 12th place—behind such countries as Poland and Yugoslavia—in ship tonnage built annually. Less than 9 percent of all goods exported from the United States travels in our own vessels. In 1946 the figure was 68.4 percent. The number of active vessels is down to 900 from 1,200 in 1939 and 85 percent of these vessels are of pre-World War II vintage. Our merchant marine has sunk so low that we are unable to carry all our military cargo to Vietnam to support the war there. This, in turn, means that by making ourselves dependent upon other nations for shipping, we are jeopardizing our ability to support our military operations abroad or to defend our national security.

But, whose fault is it that our merchant marine is in this state of affairs? The answer which everyone connected with the industry supplies is that the administration is at fault. Congress would appropriate additional money for the construction of ships, but it is not requested. Congress has urged the administration to seek greater appropriations for the merchant marine, but it refuses. The industry and the labor unions have shouted and pleaded to the executive branch for greater understanding of and greater cooperation with their problems, but to no avail.

The Maritime Administration is buried within the Department of Commerce. By the time a program seeps up from the maritime basement through the Secretary of Commerce to the Bureau of the Budget and beyond; or by the time outside calls for help and sound advice filter through this maze of bureaucracy to the maritime personnel in the basement any attempt at improvement has been dissipated. It would be hard to get a rowboat built under such circumstances.

Aviation industries

By way of contrast, our aviation industry is thriving. More people are being carried on American commercial air carriers than on air carriers of other nations. Our commercial fleet is more modern than that of any other country. There are more private airplanes being flown in the United States than elsewhere. All but one commercial trunkline is off subsidy and earning a good return on investment. Regional carriers are improving their financial position. And, our airport construction program is moving ahead satisfactorily.

But, the aviation industry has not always been in such good shape. At one time, it was regulated by a Government agency located within a larger department, as the merchant marine is today. In those days, the airlines faced a dismal future. When in 1958, however, the independent FAA and CAB were established, the air industry came into its own and began to prosper. Those regulating the industry were able to devote their entire time to this one area, instead of being bottled up within another department. The Bureau of the Budget,

the President, and the Congress learned firsthand what the needs and problems of the industry were. As a result, a degree of prosperity has been realized and the American traveling public has been benefited.

Railroad industry

Railroads are another matter, however. There are many who say that this industry has been declining for some time and that it does not seem to improve.

In many instances, equipment has been permitted to deteriorate, trains and routes have been discontinued, passengers are ignored and insulted, freight business has been lost, and profits have disappeared. When this has occurred, part of the blame must be placed upon the railroads themselves who for too long have ignored the challenge of competition from other modes of transportation. But, a good share of the blame must be placed upon the Interstate Commerce Commission who have become so bogged down in trivia, who have sought to overregulate the industry, and who have been forced to divide their time among other modes of transportation (trucks, water carriers, and pipelines) that the health and the needs of the railroad industry have been ignored at least to some extent.

By examining these and other industries separately, it may be seen that some are healthy, while others are in need of help. It may be asked, then, will the new Department of Transportation improve matters? The answer would seem to be that it won't. In fact, it could damage those areas of the industry which are prospering.

LACK OF ADMINISTRATIVE AUTHORITY

It is proposed that there be established within the Department four Assistant Secretaries. These Assistant Secretaries are given no prescribed duties but will be assigned such authority as the Secretary may give them. We are told that they will be assigned staff and coordinating functions such as research, planning, development, etc. But, this is pure conjecture.

There are also to be established within the Department four administrators who will each supervise a separate modal transport administration—aviation, rail, maritime, and highways. But, here again, no specific responsibilities are assigned to them. We are told that the FAA functions will be assigned to the Aviation Administration, that the merchant marine functions will be assigned to the Maritime Administration, etc. Here again, however, this is conjectural. Nothing in the proposed legislation requires anyone but the Secretary to have any duties and responsibility.

What could be the effect of this organizational arrangement upon the modes of transportation?

Continued decline of maritime industry

The Maritime Administration, now being permitted to rot in the basement of the Commerce Department will be assigned to someone, perhaps the Maritime Administrator, in the new Department. But, we cannot be certain who will be in charge of these functions or that all the present duties will be handled by one man with clearcut authority. Some maritime responsibilities may be given to the Maritime Administrator, others may be given to an Assistant Secretary, and still others may be given to someone of whom we are not even aware. Instead of

having a fourth-level official responsible for promoting the merchant marine, as is now the case, we could wind up with no one having concise responsibility. Such a fractured arrangement could further disorganize our floundering civilian fleet. How, then, will this new Department benefit this mode of transportation?

Damaged aviation industry

Turning to the aviation industry, we have seen that because of the independent status of the FAA and the CAB, our air commerce has prospered. But, now, we are asked to submerge the FAA within the new Department and place its functions under the control of some unknown individual. Thus, we may once again cause the disruption of civilian aviation by promoting disorientation of responsibility. How will transportation be benefited in this case?

Railroads remained untouched

As for the railroads, it is proposed that the functions of the ICC be left undisturbed. This means that we are going to permit the railroads to be regulated in the same myopic way they have been for years. How will creation of a new Department improve this area of transportation?

SAFETY

If we turn to the subject of safety, we are told that serious deficiencies in safety exist today in the field of transportation, that many persons are killed annually while traveling, and that the new Department of Transportation will greatly alleviate this problem.

We, of course, are extremely concerned about the deaths and injuries that result from transportation accidents. We are most anxious that improvements be made and be made quickly. But, will creation of the new Department contribute to the alleviation of this problem?

Railroads and people

The Secretary of Transportation is to be assigned the safety responsibilities of the ICC as they relate to railroads and pipelines. In effect, though, he will only be supervising the personnel of the ICC who will be transferred to him. Since this is one area where the ICC has not performed particularly badly—2,300 persons involved in railroad accidents last year, less than 20 persons involved in pipeline accidents in the past 10 or more years—it seems questionable how much improvement the Secretary will be able to make.

Maritime

The Coast Guard, which has responsibility over maritime accidents, will be transferred to the new Department. Thus, the Secretary will have theoretical responsibility over ship and boat accidents. But, we are told that the Coast Guard will be permitted to retain their accident investigation responsibility because they have been doing such a good job. Therefore, how will the transfer of responsibility improve matters?

Aviation

In the case of aviation accidents, both the FAA's and the CAB's responsibility over safety is to be transferred to the Department. But, the rate of aviation accidents has declined remarkably over the past few years. This improvement came about after these two agencies were established as independent bodies. We believe that this

advance in air safety is a direct result of separating the regulation of safety (FAA) from the investigation of safety (CAB). Through this arrangement, the independent CAB has been given primary responsibility for determining whether the FAA, as well as the airlines, has been at fault when accidents have occurred. In some instances, the FAA has been found to have contributed to the cause of accidents. The mere fact, moreover, that there exists an independent check upon the operation of airway systems (FAA) has meant that the FAA has had to remain on guard in order to prevent laxness and carelessness in its operations and those of the airlines.

Now, however, we are asked to not only destroy the independence of the FAA, but to eliminate the CAB's independent check upon air safety. The FAA, as we have seen, is to be transferred to the new Department. The Bureau of Safety of the CAB, presently responsible for aviation accident investigations, is also to be transferred to the new Department. Thus, we are about to transfer to one department and to one Secretary both the duty to set safety regulations, operate airway systems, and also the duty to investigate aviation accidents. In effect, we will be authorizing the Secretary to sit in judgment of himself. This is the arrangement that existed before 1958 when all aviation matters were within the Department of Commerce. One need only examine the history of air safety at that time to see how unsatisfactory that arrangement was. Yet, we are asked to repeat our past mistakes. How will creation of the new Department and the incorporation of this discarded arrangement advance safety?

Motor vehicles

When we turn to motor vehicle safety, a different story exists. Almost 50,000 deaths were recorded on the highways last year. Greater numbers are predicted for the forthcoming years. This is, of course, intolerable. Congress is presently engaged in enacting legislation to deal with this problem. But, the major factor here is not improper or inadequate regulation by existing Government agencies. Rather, the fact is that, contrary to other fields of transportation, there has been no agency specifically charged with the duty of curtailing motor vehicle accidents. Thus, it would seem that the need here is not that of creating a whole new department to handle this problem, but instead the assignment to one particular agency of Government the responsibility for this matter.

Safety Board

Mention should be made of the National Transportation Safety Board—to be established in conjunction with the Department. Many statements have been made as to how this new Board will advance the cause of transportation safety by bringing together all facets of this problem under one roof and by permitting a single unit of Government to deal with the subject as a single entity. While the effort to unify the supervision of transport safety may contain some merit, it could also seriously jeopardize effective safety investigation by assigning persons trained in one mode of transportation safety to another without adequate training or by attempting to apply safety principles applicable to one mode of transportation to another. The equipment, the procedures, and the methods of operation of the different modes of transportation are sufficiently disparate, one from

another, that attempts to crossbreed in this area could lead to serious harm.

Aside from this issue, it is even more important to stress the fact that the Safety Board is not even to be given the authority to conduct accident investigations. Instead, it will only be charged with the duty of determining causes of accidents, reviewing the certification of licenses, conducting studies, making reports and recommendations, et cetera. The Secretary himself will be charged with conducting accident investigations. And, as pointed out above, he will frequently be charged with investigating himself. In this area also, then, it may be questioned whether or to what extent creating the Department of Transportation will advance the cause of safety.

OTHER DRAWBACKS

We could devote considerable additional time to discussing many other potential drawbacks and questionable arrangements in relation to the proposed new Department. Thus, we could discuss the fact that the Government, as the single largest user of transportation, is excluded from coverage under the legislation; that the many problems relating to labor difficulties are ignored; that the subject of aircraft noise abatement is only treated in passing; that the Corps of Engineers, charged with the duty of maintaining navigable waters, is to be divested of its bridge clearance and bridge obstruction responsibilities although the location and operation of bridges is a vital aspect of preserving navigability; etc. But, since these have either been dealt with by others or their omission presents fairly obvious drawbacks, we shall not pursue these issues further.

The failure of this legislation to deal with labor problems is particularly significant at this time. For over a week now, at the date of this writing, a small number of employees have succeeded in crippling 60 percent of the commercial air transportation of the Nation. Many thousands of lives have been disoriented, innumerable businesses have been damaged, and other modes of transportation have been disrupted.

SECTION 7

There is one additional matter, however, which deserves particular attention because it is probably the most objectionable feature of the entire legislation. This is section 7 of the bill which authorizes the Secretary of Transportation to develop standards for the investment of Federal funds in transportation and to impose these standards on the other agencies of Government who administer investment programs enacted by Congress.

We recognize that many exemptions have been included in this section. But a degree of authority remains over some programs. What is more serious, however, is that a new principle is being established. With enactment of this section, we are now laying the groundwork for authorizing an executive officer of Government to exercise a degree of authority, now held by Congress, over the determination of how money will be spent, for what purpose, and to what extent. While, under this proposed law, the Secretary may only recommend changes in national transportation policy to Congress for its approval, the Secretary shall be free under this section to rearrange

and rechannel investment programs in a way which could undermine or alter such national policy.

Today, we see the Department of Defense alone or in conjunction with the Bureau of the Budget develop systems analyses, planned program budgeting, and the like. In some instances, these may be useful tools of administration. But, from them we have also been confronted with the TFX aircraft which no military service wants, the lack of modern merchant vessels to carry troops and supplies to Vietnam, the refusal to construct cost-proven nuclear carriers or nuclear support vessels to fight a modern war, and so forth. Yet, now we are asked to give the Secretary of Transportation the same degree of planning authority so that he may "revitalize our transportation network." If past experience is any guide, the health and growth of this industry may be revitalized out of existence.

IN CONCLUSION

In conclusion, we agree that the proposed new Department might, as its sponsors suggest, better coordinate research, statistical gathering, computer operating, printing, and other common support functions. We also agree that if the organization of and responsibility assigned to a Department of Transportation are properly drawn, the need for establishing such a Department may be justified. But, without these assurances, we seriously doubt that the interests of the transportation industry, the traveling public, or the taxpayer will be advanced by establishing a 100,000-employee, \$6 billion Department of Transportation as now proposed.

HOWARD H. CALLAWAY.
ROBERT DOLE.

ADDITIONAL VIEWS OF HON. CLARENCE J. BROWN, JR.,
AND HON. WILLIAM L. DICKINSON

H.R. 15963, to create a Cabinet-level Department of Transportation, is a mildly revised and disguised version of H.R. 13200, on which extensive hearings were held by the Executive and Legislative Reorganization Subcommittee of the Government Operations Committee during the spring and early summer. During the course of the testimony it became apparent that all parties with interest generally favored the concept of a Transportation Department—but few favored the specific Department proposals in this legislation.

While H.R. 15963 corrects some of the more criticized faults of the original bill, the major weaknesses still remain. They are as follows:

1. Congressional prerogative will be yielded up to the Secretary of Transportation (and thus to the executive branch of Government) under section 7 of this legislation, which provides for the Secretary to establish standards and criteria for the investment of Federal funds and Federal activities in the promotion of various modes of transportation.

2. The various modes of transportation (some of which have been doing excellent jobs without the benefit of Federal "coordination") will not be adequately represented in the organizational concept of the new Department.

3. The knotty problem of urban mass transit is completely ignored in the establishment of the new Department.

4. The independence of accident investigation, which has been the very key to the success of the CAB, has been sacrificed by placing such investigation within the Department at the mercy of the fiscal control of the Secretary of Transportation where it will, in effect, be investigating and sitting in judgment on itself.

While no one questions the possible advantages to the transportation industry which could flow from a properly organized and well administered Cabinet-level Department of Transportation, the issue in this legislation is whether or not it establishes such a Department. Or does this legislation, in fact, create a Department which could be inimical to the interests of transportation in America?

Everyone recognizes that the railroads in America have been "economically sick" for many years because they have been on a forced feeding of overregulation by the Federal Government. By contrast, the airlines of our Nation, which have operated under Federal regulations that were more broadly drawn and applied, have experienced economic health and rapid growth in recent years.

This bill purports to apply to the rail industry accident investigation approaches which have been so successful in the air industry in recent years. In fact, however, the approach of this legislation on accident investigation actually reverts back to pre-CAB days when investigations were not so effective. Similarly, the independence of the FAA will also be sacrificed by placing it within an administrative

framework which will make it responsive to presidential and secretarial whim.

The same concern can be expressed for the program and funds administered by the Bureau of Public Roads and Federal waterways projects. The highway system of this country, under the independent administration of the Bureau of Public Roads, has thrived in recent years as a result of the direct interest of the Congress in the development of the diverse geographic areas and economic elements of our Nation. By contrast, the U.S. merchant marine, which is such an important adjunct to the national defense posture of our Nation in wartime, has failed to benefit noticeably from any such promotional programs established by the Chief Executive, who has double responsibilities in this area as Commander in Chief. How the interests of these two modes of transportation will be benefited by moving into a Cabinet department the promotional aspects of the independent agencies directly involved in their development was never explained in subcommittee hearings.

MODES HAVE NO VOICE

One might assume that each of these modes could benefit by having a strong-voiced advocate at Under Secretary or Assistant Secretary level within the proposed Department of Transportation. Such an advocate for each mode of transportation could carry his case to the Secretary of Transportation or to the Congress with the necessary vigor to see that proper attention was given his particular modal interest. But such is not the organizational plan for the new Department. Rather, the promotional activities of the previously independent agencies have been transferred to Administrator levels and below within the new Department of Transportation. This would imply that the concept of the new Department is to "hand down" from the Secretary to the agency administrator level policy suggestions advocated by the individual modal administrators up to the secretarial or decisionmaking level.

H.R. 15963 provides for the establishment of five Assistant Secretaries who shall perform "duties as the Secretary shall prescribe from time to time"—but whose functions are otherwise undefined. Presumably they will be in charge of program, policy development, research, and similar euphemistic responsibilities, and will have no modal orientation. With their staff of bureaucrats, they will be the "brain trust" which will assist the Secretary in establishing standards and criteria for the transportation policy of our Nation. This policy will then be "handed down" to a Federal Highway Administration (the former Bureau of Public Roads), a Federal Railway Administration (part of the ICC), a Federal Maritime Administration (the former Maritime Administration), and a Federal Aviation Administration (formerly the Federal Aviation Agency) for administrative implementation.

Not represented—even at this lower administrator level—is one mode of transportation which carries 17 percent of all the goods now moved in the United States: the pipeline industry. The committee was advised that pipeline transportation is not represented in the new Department because no substantial Federal regulation has been required in the pipeline industry. And yet, pipelines carry a substantial amount of the goods moved across the face of our Nation.

The only conclusion to be drawn from that is: if a transportation mode is so successful that it has never had cause to come under Federal regulation, then it does not desire to be represented in a Department of Transportation whose objective it is to meet the future needs of transportation in America.

When the future transportation policy of our Nation is being planned, should not pipelines be considered to move more goods more efficiently in the years ahead, rather than being ignored completely? Certainly pipelines might offer a more efficient method of moving milk, or wheat, or water someday than would ships or rail cars. If this bill, which purports to look ahead in an effort to tackle the future transportation needs of our Nation, does not look far enough ahead in administrative organization to include any consideration of the pipeline industry in the development of standards and criteria for the Nation's future transportation needs, what kind of thinking ahead can we expect of the Department when in operation?

The answer is clear. The Transportation Department as organized by H.R. 15963 is not designed to represent the various modal interests of the transportation industry in our Nation in the formulation of the Nation's future transportation policy.

If the president of a trucking firm, for instance, feels that national transportation policy is working against the interests of his firm and the trucking industry generally, where does he go with his complaint based on his own practical operating experience? Nowhere does the legislation before us provide him an opportunity or an individual through whom to make his viewpoint known. The Secretary of Transportation, whose background may be in the railroad industry, has the responsibility of balancing the desirability of all the modes. The legislation does not call for the Assistant Secretaries to be specialists in any mode. Their responsibility is undefined in the legislation, but from testimony it is presumed that the Assistant Secretaries will be more oriented to research, statistical studies, etc. Of course, the Federal Highway Administrator and his administration would be interested in trucking problems from the standpoint of existing regulations, but nowhere does the legislation call for this agency or its Administrator to participate in policy development activities. And the role of the Congress, the way this legislation is drawn, has been reduced merely to that of providing funds to the Department of Transportation so that it can implement national transportation policy developed by the Secretary of Transportation from the standards and criteria which he has established himself with the approval of the President. Unless the trucking company president has a friend in the White House, chances are he will have difficulty getting his viewpoint considered.

CONGRESSIONAL PREROGATIVES

Section 7 says:

The Secretary shall develop * * * standards and criteria * * * for the formulation and economic evaluation of all proposals for the investment of Federal funds for transportation facilities or equipment. * * * The standards and criteria shall be promulgated by the Secretary upon their approval by the President.

No consideration by or consultation with Congress on these standards and criteria is included. An effort mounted in the subcommittee

and again in the full committee to require approval by Congress of these standards and criteria by which national transportation policy will be set was defeated on several occasions.

A sop was offered in an effort to allay concern over the complete abdication of congressional prerogative by including section 4-(e) of the bill which states, "nor shall the Secretary promulgate investment standards or criteria pursuant to section 7 of this act which are contrary to or inconsistent with acts of Congress relating to standards or criteria for transportation investments."

The fact of the matter is, there are few acts of Congress which set standards or criteria with which the Secretary could be "contrary or inconsistent." Most of the standards in determining Federal waterways investments, for instance, have grown up over the years by common consent between the Public Works Committees of the Congress and the Corps of Engineers. The standards for action in the Bureau of Public Roads have been set by that independent agency charged with specific responsibility in this modal area. But the independent Bureau of Public Roads has had continuing surveillance from the Public Works Committees of Congress. The FAA, another independent agency, has developed its own standards and criteria for the development of national aviation policy under the watchful attention of the Interstate and Foreign Commerce Committee.

Section 7 proposes to transfer *all authority not specifically written into present legislation* into the hands of the Secretary of Transportation and thus into the hands of the President. If this is not a clear abdication of the prerogative of the legislative branch of Government to the executive branch, what would be? Without the specific delegation of this power to the executive branch of Government and the Secretary of Transportation, this power now presumably reposes in the Congress.

The argument that Congress still holds the purse strings on the Secretary of Transportation is specious. The Secretary of Defense now refuses to spend congressional appropriations at his own will. Presumably a Secretary of Transportation, by setting his own standards and criteria, might even juggle appropriations between various transportation modes in spite of the specific appropriation of these moneys by the Congress.

Now the Congress, through its committee system, can "look in" frequently on independent agencies to determine the kind of job being done by each agency in the modal area in which it is interested. But when the Secretary of Transportation is given the legislative authority to set his own standards and criteria, how can Congress say him nay should it disapprove of those standards and criteria? Under section 7:

Every survey, plan, or report formulated by a Federal agency which includes a proposal as to which the Secretary (of Transportation) has promulgated standards and criteria shall be prepared in accord with such standards and criteria and upon the basis of information furnished by the Secretary. * * *

Thus the Secretary's standards and criteria and those of every other Federal agency involved will be based upon information provided by the Secretary himself. And what information is this? The language of the bill goes on to say that the Secretary will give information with respect to projected growth of transportation needs and traffic in the

affected area and the relative efficiency of various modes of transportation, the available transportation services in the area and the general effect of the proposed investment on the overall transportation system of the area and on the regional and national economy.

That is a pretty broad base on which to develop standards and criteria. In other words, the Secretary of Transportation could determine that the ultimate development of the national economy calls for subways through the desert or a seaport in the mountains no matter what the cost. Under the language of this legislation he can determine his own facts with respect to costs and benefits and decide that the cost-benefits ratio favors his ideas in the interests of expanding the national economy.

But, under this legislation, the Secretary is not to establish standards and criteria concerning the investment of Federal funds relative to grant-in-aid programs authorized by law, and interoceanic canal located outside the continental United States, defense features included at the direction or upon official certification of the Department of Defense in the design and construction of civil air, sea, and land transportation, programs of foreign assistance, or water resource projects, and—rather surprisingly—transportation services by Federal agencies for their own use.

Why the Federal Government and, separately, the Department of Defense, should be eliminated from the standards and criteria of a Federal Department of Transportation is a puzzlement. Apparently water resources projects were specifically eliminated because it was conceded that the language of section 4(e) (referred to above) did not really take care of the prerogative which has been exercised by Congress and the Corps of Engineers in this field for years.

But this exception in section 7 still leaves a question about the primacy of the Secretary or the Corps of Engineers in any future question which may see a highway bridge in conflict with a water project, for instance. In such a conflict, whose viewpoint on standards and criteria will prevail? The relative Federal status between a Cabinet-level Secretary of Transportation and the Chief of the Corps of Engineers would seem to make the answer obvious.

MASS TRANSIT

The omission from this legislation of the problem of urban mass transit is either a matter of political expediency or a complete failure to recognize the importance of the problem of mass transit to many Americans. It is true that there are still problems in air transportation, in highway planning, and in railroad economics, but the problem of urban mass transportation in our Nation today looms head and shoulders above all others. And yet, this bill does not speak to that problem.

A study of the solution to the urban mass transit dilemma is to be conducted by the Department of Housing and Urban Development during its first year or so of existence. The Transportation Department, however, will apparently not even consider exploring the problem until that study is completed. What could be more appropriate for a Transportation Department than the biggest problem in transportation today?

Airline passengers spend more time getting to the airport than they do in flying. You can get from downtown Washington to downtown Baltimore quicker than you can get from the suburbs into the downtown section of either city. Railway trains can move vast quantities of perishable consumer goods swiftly over thousands of miles, but cannot get commuters to work on time in the Nation's biggest cities. Interstate buslines are among the Nation's thriving independent businesses, but most municipal bus systems are in economic trouble. Interstate highways move automobiles here and there; but a block from the interstate, traffic crawls through city streets.

And yet, the Department of Transportation will not give consideration to the problem of mass transit. Unless this glaring omission is corrected, the legislation mocks itself.

SAFETY

The Department will, however, give its attention to the question of safety in transportation. As a matter of fact, the way the legislation is drawn and the testimony presented by Government witnesses would lead to the conclusion that concern over the safety of the American transportation industry is as much the reason for the creation of this Department as is the long-range planning for transportation development in our growing Nation. But the formula for giving attention to safety which is presented in this legislation is the same formula tried in air safety at one time, found wanting, and discarded.

Under this legislation, safety regulation, accident investigation, and the assignment of error will all come under the Secretary of Transportation. No independent agency will check on the actions of the Department in the safety area as the independent CAB now does over the independent F&A.

Although the Safety Board is separately appointed and confirmed, it still would function under the Secretary of Transportation who has control over the appropriations requested for it and control of Transportation Department expenditures for the Board, much as the Secretary of Defense can now control the appropriations requests and expenditure or nonexpenditure of funds by divisions within his Department.

This, then, represents a backward step in safety investigation and supervision, rather than a forward step. It underscores again the problem which exists so glaringly in section 7 and by implication in the general organization of the Department: the Department is not only aimed at "coordination," but is aimed at centralizing control of the transportation industry in the hands of the executive department.

CONCLUSION

The transportation industry in this Nation is too big and too diverse to permit assignment of responsibility for it only in the hands of a few Federal planners. A Transportation Department *is* needed to coordinate Federal activities in the transportation field. But this is not the legislation under which that Department can best be organized, unless glaring errors in this legislation are corrected.

Congress must not yield up all of its policymaking functions in the transportation field to the executive branch of Government.

The various interests of the successfully operating transportation modes must be protected, at least to the extent that they will have a voice in the formulation of our Nation's transportation policy. The organizational structure of the Department of Transportation should specifically allow for this.

Mass transit should be included in the consideration of any Department of Transportation.

Federal activity in safety investigation should be completely separate from Federal activities in safety regulation.

Without the correction of these obvious errors, this legislation should be tossed back to the committee for further consideration, improvement, and presentation to Congress in better form.

CLARENCE J. BROWN, Jr.

Member of Congress.

WILLIAM L. DICKINSON.

Member of Congress.

ADDITIONAL VIEWS OF HON. JACK EDWARDS

I have only recently become a member of the Government Operations Committee and have not been privy to the hearings, discussions, and debates on H.R. 15963. Consequently, I do not feel that I am in a position to join in any of the views expressed in the committee report. However, I have been active as a member of the Subcommittee on Merchant Marine of our Committee on Merchant Marine and Fisheries during the 89th Congress, and therefore feel competent to comment upon the inclusion of the Maritime Administration within the Department of Transportation to be established by H.R. 15963.

During the 2d session of the 89th Congress, the Subcommittee on Merchant Marine has been holding extensive and continuous hearings on the subject, "Vietnam—Shipping Policy Review," in an examination of the many problems facing the American merchant marine. Throughout the volumes of testimony received by the subcommittee, one primary and basic fact has been made crystal clear: The American merchant marine is floundering in a sea of confusion, because of the lack of an administration program to either implement our existing maritime policy or to formulate the "new" maritime policy promised by the President in his state of the Union message of January 1965.

Witness after witness appearing before the Subcommittee on Merchant Marine within the past 6 months has stressed the fact that our "fourth arm of defense"—the American merchant marine—has been allowed to wither away in a morass of bureaucratic twaddle, largely because the voice of the Maritime Administration charged with the promotion of our merchant marine, has been submerged so far down in the bureaucracy that its weak cry for help has been muted and confused. By the time a request has worked its way up through the present organizational structure from the Maritime Administrator to the Under Secretary of Commerce for Transportation to the Secretary of Commerce to the Bureau of the Budget to the President, and finally to the Appropriations Committee of the respective Houses, bypassing in the process authorization review by our Committee on Merchant Marine and Fisheries, all the wind has been taken out of its sails, all the steam has been dissipated, and the request has been rendered as useless flotsam.

The rather simple and obvious cure for the ills of the American merchant marine is to build more American ships in American yards with American skills and sail these American-built ships under the American flag with American seamen. Unfortunately, so obvious a remedial measure as this does not seem to receive the consideration it merits by our policymakers of today, witness the administration's current budget request for merchant-ship construction for fiscal 1967 representing a cut of about one-third below the prior fiscal year's level of actual appropriation.

There is absolutely no reason or basis for one to presume that this adverse course of the American merchant marine will be altered simply by removing the Maritime Administration from the depths of

the Department of Commerce and burying it in an equally insignificant position in the Department of Transportation, which is largely oriented toward domestic transportation matters and not those of an international nature facing the American merchant marine.

The only way to treat a patient with a progressively deteriorating condition is to place that patient in an intensive-care unit and nurse him back to health. Removing the patient from one overcrowded ward to another only portends diminishing care and an acceleration of his demise because he sees no hope of interest in his disease.

Yes, the American merchant marine is a sick industry. It needs immediate and intensive care. Its voice needs to be heard, and the only way it can be heard properly is by gaining an independent status in the Government bureaucracy. At the very least, if the Maritime Administration is to be included within the Department of Transportation, then its role within this new Department should be more definitively spelled out than as now provided for under the provisions of H.R. 15963. The functions associated with the awarding and administration of aviation subsidies, for example, will be left within the independent Civil Aeronautics Board. Yet for some unaccountable reason the comparable functions associated with maritime subsidies are to be submerged within the Department of Transportation without any mention whatsoever as to the manner in which these more important quasi-judicial functions are to be handled.

It is almost unbelievable but true that today the American merchant marine carries less than 9 percent of our waterborne commerce. We rank 12th as a shipbuilding nation. Our privately owned fleet has dropped from more than 1,200 ships in 1939 to slightly more than 900 in 1966. Today 85 percent of the ships of the American merchant marine are of World War II vintage or are more than 21 years old and will reach the end of their economic life within 4 years. Yet while we should be building more than 30 ships a year to meet this "block obsolescence" problem, we will be lucky if we build a dozen or so ships with the funds requested for fiscal year 1967. As the maritime editor of the Baltimore Sun expressed it on June 30 of this year, and I quote:

Since President Johnson first stated on the floor of Congress that a new maritime policy was forthcoming, the United States has slipped from 1st to 6th place in the size of its active fleet; from 6th to 14th (or 15th) in ship construction, and literally to rockbottom for the number of new ships being built to fly the Stars and Stripes.

In sharp contrast to the marked decline in the American merchant marine, Soviet Russia once considered a nonmaritime nation is actively engaged in the construction of a large modern merchant marine with the stated goal having been expressed by its Minister of Merchant Marine to be "to gain control of the seas." As of October 31, 1965, the U.S.S.R. had 464 merchant ships of 1,000 gross tons or more either under construction or on order as compared with 41 in the United States. In 1965 alone, the Soviets accepted delivery of 129 new ships, while the United States took delivery of only 16. Compared with 85 percent of our merchant tonnage which is more than 20 years old, 80 percent of the Soviets' commercial fleet is less than 10 years old. The intensity of this Soviet buildup at sea has not floundered for lack

of funds, including the expenditure abroad of scarce "hard" currency. In 1965 alone, the U.S.S.R. spent over \$600 million for new ship construction, while we spent less than one-fourth of that amount. There can be little doubt, therefore, that the Soviet Union has developed a marked appreciation of a country's need for a strong merchant marine, and that its shipping strength is growing with the expectancy of challenging U.S. supremacy at sea.

At the present time, our Committee on Merchant Marine and Fisheries has before it almost 20 bills which, if enacted into law, would provide for an independent Federal Maritime Administration. Hearings are scheduled to commence on these measures during the week of July 17, 1966. At the very least, H.R. 15963 should not come to the floor of the House until the Committee on Merchant Marine and Fisheries has had an opportunity to consider these legislative measures and provide the House with the benefit of its expertise in a report on the several bills.

It is my considered opinion, however, that the best interests of this country would be served by the removal of the Maritime Administration from the Department of Commerce and from the Department of Transportation, as now proposed in H.R. 15963. The Maritime Administration should be given independent status so that the once proud American merchant marine may once again take its rightful place and become the master of the seas, second to none.

JACK EDWARDS.



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Union Calendar No. 780

89TH CONGRESS
2^D SESSION

H. R. 15963

[Report No. 1701]

IN THE HOUSE OF REPRESENTATIVES

JUNE 27, 1966

Mr. HOLIFIELD introduced the following bill; which was referred to the Committee on Government Operations

JULY 15, 1966

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Omit the part struck through and insert the part printed in italic]

A BILL

To establish a Department of Transportation, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Department of Trans-
4 portation Act".

5 DECLARATION OF PURPOSE

6 SEC. 2. The Congress hereby declares that the general
7 welfare, the economic growth and stability of the Nation
8 and its security require the development and implementation.

1 of national transportation policies and programs conducive
2 to the provision of fast, safe, efficient, and convenient trans-
3 portation at the lowest cost consistent therewith and with
4 other national objectives, including the efficient utilization
5 and conservation of the Nation's resources.

6 The Congress therefore finds that the establishment of
7 a Department of Transportation is necessary in the public
8 interest and to assure the coordinated, effective administra-
9 tion of the transportation programs of the Federal Govern-
10 ment; to facilitate the development and improvement of
11 coordinated transportation service, to be provided by private
12 enterprise to the maximum extent feasible; to encourage co-
13 operation of Federal, State, and local governments, carriers,
14 labor, and other interested parties toward the achievement
15 of national transportation objectives; to stimulate technologi-
16 cal advances in transportation; to provide general leadership
17 in the identification and solution of transportation problems;
18 and to develop and recommend national transportation
19 policies and programs to accomplish these objectives with
20 full and appropriate consideration of the needs of the pub-
21 lic, users, carriers, industry, labor, and the national defense.

22 ESTABLISHMENT OF DEPARTMENT

23 SEC. 3. (a) There is hereby established at the seat of
24 government an executive department to be known as the
25 Department of Transportation (hereafter referred to in this

1 Act as the "Department"). There shall be at the head of
2 the Department a Secretary of Transportation (hereafter
3 referred to in this Act as the "Secretary"), who shall be
4 appointed by the President, by and with the advice and con-
5 sent of the Senate.

6 (b) There shall be in the Department an Under Secre-
7 tary, who shall be appointed by the President, by and with
8 the advice and consent of the Senate. The Under Secretary
9 (or, during the absence or disability of the Under Secretary,
10 or in the event of a vacancy in the office of Under Secretary,
11 an Assistant Secretary or the General Counsel, determined
12 according to such order as the Secretary shall prescribe)
13 shall act for, and exercise the powers of the Secretary, dur-
14 ing the absence or disability of the Secretary or in the event
15 of a vacancy in the office of Secretary. The Under Secretary
16 shall perform such functions, powers, and duties as the Secre-
17 tary shall prescribe from time to time.

18 (c) There shall be in the Department four Assistant
19 Secretaries and a General Counsel, who shall be appointed
20 by the President, by and with the advice and consent of the
21 Senate, and who shall perform such functions, powers, and
22 duties as the Secretary shall prescribe from time to time.

23 (d) There shall be in the Department an Assistant Sec-
24 retary for Administration, who shall be appointed, with the
25 approval of the President, by the Secretary under the classi-

1 fied civil service who shall perform such functions, powers,
2 and duties as the Secretary shall prescribe from time to time.

3 (e) The Secretary shall establish within the Department
4 (1) a Federal Highway Administration, (2) a Federal
5 Railroad Administration, (3) a Federal Maritime Admin-
6 istration, and (4) a Federal Aviation Administration. Each
7 of these components shall be headed by an Administrator who
8 shall be appointed by the President, by and with the advice
9 and consent of the Senate, and who shall report directly to
10 the Secretary and shall have such duties and powers as he
11 may prescribe.

12 (f) The Secretary shall establish within the Depart-
13 ment an Office of Accident Investigation, which shall be in-
14 dependent of the Federal Aviation Administration. The
15 office shall, among its duties, investigate aviation accidents
16 in accordance with rules and regulations prescribed by the
17 Secretary.

18 GENERAL PROVISIONS

19 SEC. 4. (a) The Secretary in carrying out the pur-
20 poses of this Act shall, among his responsibilities, exercise
21 leadership under the direction of the President in transpor-
22 tation matters, including those affecting the national defense;
23 and those involving national or regional emergencies; de-
24 velop national transportation policies and programs, and
25 make recommendations to the President and Congress for

1 their implementation; promote and undertake development,
2 collection, and dissemination of technological, statistical,
3 economic, and other information relevant to domestic and
4 international transportation; promote and undertake research
5 and development relating to transportation, including noise
6 abatement, with particular attention to aircraft noise; and
7 consult with the heads of other Federal departments and
8 agencies on the transportation requirements of the Gov-
9 ernment.

10 (b) In exercising the functions, powers, and duties
11 conferred on and transferred to the Secretary by this Act,
12 the Secretary shall give full consideration to the need for
13 operational continuity of the functions transferred, to the
14 need for effectiveness and safety in transportation systems,
15 and to the needs of the national defense.

16 (c) Orders and actions of the Secretary or the Na-
17 tional Transportation Safety Board (established by section 5
18 of this Act) in the exercise of functions, powers, and duties
19 transferred under this Act shall be subject to judicial review
20 to the same extent and in the same manner as if such orders
21 and actions had been by the department or agency exercising
22 such functions, powers, and duties immediately preceding
23 their transfer. Any statutory requirements relating to
24 notice, hearings, action upon the record, or administrative
25 review that apply to any function transferred by this Act

1 shall apply to the exercise of such functions by the Secretary
2 or the National Transportation Safety Board.

3 (d) In the exercise of the functions, powers, and duties
4 transferred under this Act, the Secretary shall have the same
5 authority as that vested in the department or agency exercis-
6 ing such functions, powers, and duties immediately preced-
7 ing their transfer, and his actions in exercising such func-
8 tions, powers, and duties shall have the same force and effect
9 as when exercised by such department or agency.

10 (e) Nothing in this Act shall be construed to authorize,
11 without appropriate action by Congress, the adoption or
12 revision of a national transportation policy. Nor shall the
13 Secretary promulgate investment standards or criteria pur-
14 suant to section 7 of this Act which are contrary to or in-
15 consistent with Acts of Congress relating to standards or
16 criteria for transportation investments.

17 NATIONAL TRANSPORTATION SAFETY BOARD

18 SEC. 5. (a) There is hereby established within the De-
19 partment a National Transportation Safety Board (referred
20 to hereafter in this Act as "Board").

21 (b) There are hereby transferred to, and it shall be
22 the duty of the Board to exercise, the functions, powers, and
23 duties transferred to the Secretary by sections 6 and 8 of this
24 Act with regard to—

25 (1) determining the cause or probable cause of

1 transportation accidents and reporting the facts, condi-
2 tions, and circumstances relating to such accidents; and

3 (2) the review on appeal of the suspension, amend-
4 ment, modification, revocation, or denial of any certifi-
5 cate or license issued by the Secretary.

6 (c) The Board is further authorized to—

7 (1) make such recommendations to the Secretary
8 as, in its opinion, will tend to prevent transportation
9 accidents;

10 (2) conduct special studies on matters pertaining
11 to safety in transportation and the prevention of
12 accidents;

13 (3) insure that in cases in which it is required to
14 determine cause or probable cause, reports of investiga-
15 tion adequately state the circumstances of the accident
16 involved. Where additional information is needed, the
17 Board may require the Secretary to conduct further
18 investigations or to take such other measures as are
19 required in the opinion of the Board to insure develop-
20 ment of all facts and circumstances surrounding the
21 accident;

22 (4) make recommendations to the Secretary con-
23 cerning policies, programs, and procedures for transpor-
24 tation safety, and rules, regulations, and procedures for
25 the conduct of accident investigations;

1 (5) require the Secretary to initiate specific accident
2 investigations as the Board determines to be necessary or
3 appropriate;

4 (6) arrange for the personal participation of mem-
5 bers or other personnel of the Board in accident investi-
6 gations conducted by the Department in such cases as it
7 deems appropriate; and

8 (7) require from the Secretary notification of trans-
9 portation accidents and reports of such accidents as the
10 Board deems necessary.

11 *(d) Except as otherwise provided by statute, the Board*
12 *shall make public all reports, orders, decisions, rules, and*
13 *regulations issued pursuant to sections 5(b)(1) and 5(b)*
14 *(2); and the Board shall also make public—*

15 *(1) every recommendation made to the Secretary,*

16 *(2) every special study conducted, and*

17 *(3) every action of the Board requiring the Sec-*
18 *retary to take action*

19 *pursuant to section 5(c)(1), (2), (3), (4), (5), or (7).*

20 ~~(d)~~ (e) In the exercise of any of its functions, powers,
21 and duties, the Board shall be independent of the Secretary
22 and the other offices and officers of the Department, and shall
23 give full consideration to the requirements imposed on the
24 Secretary by section 4 (b) of this Act.

25 ~~(e)~~ (f) The Board shall report to the Congress ~~two~~

1 years after the effective date of this ~~Act~~ *annually* on the con-
2 duct of its functions under this Act and the effectiveness of
3 accident investigations in the Department, together with such
4 recommendations for legislation as it may deem appropriate.
5 ~~An interim report shall be submitted to the Congress one~~
6 ~~year after the effective date of this Act.~~

7 ~~(f)~~ (g) The Board shall consist of five members to be
8 appointed by the President, by and with the advice and con-
9 sent of the Senate. Members of the Board shall be appointed
10 with due regard to their fitness for the efficient dispatch of
11 the functions, powers, and duties vested in and imposed
12 upon the Board, and may be removed by the President for
13 inefficiency, neglect of duty, or malfeasance in office.

14 ~~(g)~~ (h) Members of the Board shall be appointed for
15 terms of five years, except that (1) any member appointed
16 to fill a vacancy occurring prior to the expiration of the term
17 for which his predecessor was appointed shall be appointed
18 only for the remainder of such term, and (2) the five mem-
19 bers first appointed shall serve for terms (designated by the
20 President at the time of appointment) ending on the last day
21 of the first, second, third, fourth, and fifth calendar years be-
22 ginning after the year of enactment of this Act. Upon the
23 expiration of his term of office a member shall continue to
24 serve until his successor is appointed and shall have qualified.

1 ~~(h)~~ (i) The President shall designate from time to time
2 one of the members of the Board as Chairman and one of
3 the members as Vice Chairman, who shall act as Chairman
4 in the absence or incapacity of the Chairman, or in the event
5 of a vacancy in the office of the Chairman. The Chairman
6 shall be the chief executive and administrative officer of the
7 Board and shall exercise the responsibility of the Board with
8 respect to (1) the appointment and supervision of personnel
9 employed by the Board; (2) the distribution of business
10 among the Board's personnel; and (3) the use and expendi-
11 ture of funds. In executing and administering the functions
12 of the Board on its behalf, the Chairman shall be governed
13 by the general policies of the Board and by its decisions,
14 findings, and determinations. Three of the members shall
15 constitute a quorum of the Board.

16 ~~(i)~~ (j) The Chairman of the Board shall be compensated
17 at the rate provided for level IV of the Federal Executive
18 Salary Schedule. Members of the Board shall be compen-
19 sated at the rate provided for level V of such Schedule.

20 ~~(j)~~ (k) The Board is authorized to establish such rules,
21 regulations, and procedures as are necessary to the exercise
22 of its functions.

23 ~~(k)~~ (l) In carrying out its functions, the Board (or,
24 upon the authorization of the Board, any member thereof or

1 any hearing examiner assigned to or employed by the Board)
2 shall have the same powers as are vested in the Secretary to
3 hold hearings, sign and issue subpoenas, administer oaths,
4 examine witnesses, and receive evidence at any place in the
5 United States it may designate.

6 ~~(h)~~ (m) Subject to the proviso in section 701 (g) of the
7 Federal Aviation Act of 1958 (72 Stat. ~~734~~ 782; 49 U.S.C.
8 1441 (g)), the Board may delegate to any officer or official
9 of the Board or, with the approval of the Secretary, to any
10 officer or official of the Department such of its functions as
11 it may deem appropriate.

12 ~~(m)~~ (n) Subject to the civil service and classification
13 laws, the Board is authorized to select, appoint, employ, and
14 fix compensation of such officers and employees, including at-
15 torneys and hearing examiners, as shall be necessary to carry
16 out its powers and duties under this Act.

17 ~~(n)~~ (o) The Board is authorized, on a reimbursable basis
18 when appropriate, to use the available services, equipment,
19 personnel, and facilities of the Department and of other
20 civilian or military agencies and instrumentalities of the
21 Federal Government, and to cooperate with the Department
22 and such other agencies and instrumentalities in the estab-
23 lishment and use of services, equipment, and facilities of the
24 Board. The Board is further authorized to confer with and

1 avail itself of the cooperation, services, records, and facilities
2 of State, territorial, municipal, or other local agencies.

3 TRANSFERS TO DEPARTMENT

4 SEC. 6. (a) There are hereby transferred to and vested
5 in the Secretary all functions, powers, and duties of the
6 Secretary of Commerce and other offices and officers of the
7 Department of Commerce under—

8 (1) the following laws and provisions of law re-
9 lating generally to highways:

10 (A) Title 23, United States Code.

11 (B) The Federal-Aid Highway Act of 1962
12 (76 Stat. 1145, 23 U.S.C. 307 note).

13 (C) The Act of July 14, 1960 (74 Stat. 526,
14 23 U.S.C. 313 note).

15 (D) The Federal-Aid Highway Act of 1954
16 (68 Stat. 70).

17 (E) The Act of September 26, 1961 (75 Stat.
18 670).

19 (F) The Highway Revenue Act of 1956 (70
20 Stat. 387, 23 U.S.C. 120 note).

21 (G) The Highway Beautification Act of 1965
22 (79 Stat. 1028, 23 U.S.C. 131 et seq. notes).

23 (H) The Alaska Omnibus Act (73 Stat. 141,
24 48 U.S.C. 21 note prec.).

1 (I) The Joint Resolution of August 28, 1965
2 (79 Stat. 578, 23 U.S.C. 101 et seq. notes) .

3 (J) Section 525 (c) of the General Bridge Act
4 of 1946 (60 Stat. 847, 33 U.S.C. 525 (c)) .

5 (K) The Act of April 27, 1962 (76 Stat. 59) .

6 (L) Reorganization Plan No. 7 of 1949 (63
7 Stat. 1070, 5 U.S.C. 133z-15 note) .

8 (2) the following laws and provisions of law relat-
9 ing generally to ground transportation:

10 (A) The Act of September 30, 1965 (79 Stat.
11 893, 49 U.S.C. 1631 et seq.) .

12 (B) Section 8 of the Urban Mass Transporta-
13 tion Act of 1964 (78 Stat. 306, 49 U.S.C. 1607) .

14 (3) the following laws and provisions of law relat-
15 ing generally to aircraft:

16 (A) The Act of September 7, 1957 (71 Stat.
17 629, 49 U.S.C. 1324 note) .

18 (B) Section 410 of the Federal Aviation Act of
19 1958 (72 Stat. 769, 49 U.S.C. 1380) .

20 (C) Title XIII of the Federal Aviation Act of
21 1958 (72 Stat. 800, 49 U.S.C. 1531 et seq.) .

22 (4) the following law relating generally to pilotage:
23 The Great Lakes Pilotage Act of 1960 (74 Stat. 259,
24 46 U.S.C. 216 et seq.) .

1 (5) the following laws and provisions of law relat-
2 ing generally to the Merchant Marine:

3 (A) The Merchant Marine Act, 1920 (41 Stat.
4 988, 46 U.S.C. 861 et seq.).

5 (B) The Merchant Marine Act, 1928 (45 Stat.
6 689, 46 U.S.C. 891 et seq.).

7 (C) The Merchant Marine Act, 1936 (49 Stat.
8 1985, 46 U.S.C. 1101 et seq.).

9 (D) The Shipping Act, 1916 (39 Stat. 728,
10 46 U.S.C. 801 et seq.).

11 (E) The Merchant Ship Sales Act of 1946 (60
12 Stat. 41, 50 U.S.C. App. 1735 et seq.).

13 (F) The Maritime Academy Act of 1958 (72
14 Stat. 622, 46 U.S.C. 1381 et seq.).

15 (G) The Act of June 12, 1940 (54 Stat. 346,
16 46 U.S.C. 1331 et seq.).

17 (H) The United States Fishing Fleet Im-
18 provement Act (74 Stat. 212, 46 U.S.C. 1401 et
19 seq.).

20 (I) The Act of September 14, 1961 (75 Stat.
21 514, 46 U.S.C. 1126b-1).

22 (J) The Act of June 13, 1957 (71 Stat. 73,
23 46 U.S.C. 1177a), to the extent it relates to
24 operating-differential subsidies.

25 (K) The Act of June 2, 1951 (65 Stat. 59,

1 46 U.S.C. 1241a), to the extent it relates to the
2 vessel operations revolving fund.

3 (L) The Act of July 24, 1956 (70 Stat. 605,
4 46 U.S.C. 249 et seq.) .

5 (M) The Act of August 9, 1954 (68 Stat. 675,
6 50 U.S.C. 196 et seq.) .

7 (N) Section 500 of the Transportation Act,
8 1920 (41 Stat. 499, 49 U.S.C. 142) .

9 (O) Reorganization Plan No. 21 of 1950 (64
10 Stat. 1273, 46 U.S.C. 1111 note) .

11 (P) Reorganization Plan No. 7 of 1961 (75
12 Stat. 840, 46 U.S.C. 1111 note) .

13 (Q) Reorganization Plan No. 6 of 1949 (63
14 Stat. 1069, 46 U.S.C. 111 note) .

15 (6) the following law to the extent it authorizes
16 scientific and professional positions which relate pri-
17 marily to functions transferred by this subsection: The
18 Act of August 1, 1947 (61 Stat. 715, 5 U.S.C. 1161) .

19 (b) (1) The Coast Guard is hereby transferred to the
20 Department, and there are hereby transferred to and vested
21 in the Secretary all functions, powers, and duties, relating
22 to the Coast Guard, of the Secretary of the Treasury and of
23 other officers and offices of the Department of the Treasury.

24 (2) Notwithstanding the transfer of the Coast Guard
25 to the Department and the transfer to the Secretary of the

1 functions, powers, and duties, relating to the Coast Guard,
2 of the Secretary of the Treasury and of other officers and
3 offices of the Department of the Treasury, effected by the
4 provisions of paragraph (1) of this subsection, the Coast
5 Guard, together with the functions, powers, and duties
6 relating thereto, shall operate as a part of the Navy, subject
7 to the orders of the Secretary of the Navy, in time of war
8 or when the President shall so direct, as provided in section
9 3 of title 14, United States Code.

10 (3) Notwithstanding any other provision of this Act,
11 the functions, powers, and duties of the General Counsel of
12 the Department of the Treasury set out in chapter 47 of
13 title 10, United States Code (Uniform Code of Military
14 Justice) are hereby transferred to and vested in the General
15 Counsel of the Department.

16 (c) (1) There are hereby transferred to and vested in
17 the Secretary all functions, powers, and duties of the Federal
18 Aviation Agency, and of the Administrator and other officers
19 and offices thereof.

20 (2) Nothing in this Act shall affect the power of the
21 President under section 302 (e) of the Federal Aviation Act
22 of 1958 (*72 Stat. 746*, 49 U.S.C. 1343 (c)) to transfer, to
23 the Department of Defense in the event of war, any func-
24 tions transferred by this Act from the Federal Aviation
25 Agency to the Secretary.

1 (d) There are hereby transferred to and vested in the
2 Secretary all functions, powers, and duties of the Civil Aero-
3 nautics Board, and of the Chairman, members, officers, and
4 offices thereof under the following provisions of law relating
5 generally to aviation safety: Titles VI and VII of the Fed-
6 eral Aviation Act of 1958 (72 Stat. 776 775, 49 U.S.C.
7 1421 et seq.).

8 (e) There are hereby transferred to and vested in the
9 Secretary all functions, powers, and duties of the Interstate
10 Commerce Commission, and of the Chairman, members,
11 officers, and offices thereof, under—

12 (1) the following laws relating generally to safety
13 appliances and equipment on railroad engines and cars,
14 and protection of employees and travelers:

15 (A) The Act of March 2, 1893 (27 Stat. 531,
16 45 U.S.C. 1 et seq.).

17 (B) The Act of March 2, 1903 (32 Stat. 943,
18 45 U.S.C. 8 et seq.).

19 (C) The Act of April 14, 1910 (36 Stat. 298,
20 45 U.S.C. 11 et seq.).

21 (D) The Act of May 30, 1908 (35 Stat. 476,
22 45 U.S.C. 17 et seq.).

23 (E) The Act of February 17, 1911 (36 Stat.
24 913, 45 U.S.C. 22 et seq.).

1 (F) The Act of March 4, 1915 (38 Stat.
2 1192, 45 U.S.C. 30) .

3 (G) Reorganization Plan No. 3 of 1965 (79
4 Stat. 1320) .

5 (H) Joint Resolution of June 30, 1906 (34
6 Stat. 838, 45 U.S.C. 35) .

7 (I) The Act of May 27, 1908 (35 Stat. 325,
8 45 U.S.C. 36 et seq.) .

9 (J) The Act of March 4, 1909 (35 Stat. 965,
10 45 U.S.C. 37) .

11 (K) The Act of May 6, 1910 (36 Stat. 350,
12 45 U.S.C. 38 et seq.) .

13 (2) the following law relating generally to hours of
14 service of employees: The Act of March 4, 1907 (34
15 Stat. 1415, 45 U.S.C. 61 et seq.) .

16 (3) the following law relating generally to medals
17 for heroism: The Act of February 23, 1905 (33 Stat.
18 743, 49 U.S.C. 1201 et seq.) .

19 (4) the following provisions of law relating gen-
20 erally to explosives and other dangerous articles: Sec-
21 tions 831-835 of title 18, United States Code.

22 (5) the following laws relating generally to stand-
23 ard time zones and daylight saving time:

24 (A) The Act of March 19, 1918 (40 Stat.
25 450, 15 U.S.C. 261 et seq.) .

1 (B) The Act of March 4, 1921 (41 Stat.
2 1446, 15 U.S.C. 265).

3 (C) The Uniform Time Act of 1966 (80
4 Stat. 107).

5 (6) the following provisions of the Interstate Com-
6 merce Act—

7 ~~(A)~~ relating generally to ear service: Sections
8 ~~1(10), 1(11), 1(12), 1(13), 1(14) (a) (but not~~
9 ~~including establishment of the compensation to be~~
10 ~~paid for the use of any locomotive, ear, or other~~
11 ~~vehicle not owned by the carrier using it), 1(15),~~
12 ~~1(16), 1(17), 6(8), the final sentence of 15(4),~~
13 ~~15(10), and 420 (49 U.S.C. 1 et seq. and 1020).~~

14 ~~(B)~~ (A) relating generally to safety appliances
15 methods and systems: Section 25 (49 U.S.C. 26).

16 ~~(C)~~ (B) relating generally to investigation of
17 motor vehicle sizes, weights and service of em-
18 ployees: Section 226 (49 U.S.C. 325).

19 ~~(D)~~ relating generally to facilities for ear serv-
20 ice: Section ~~1(21)~~, except to the extent that it re-
21 lates to extension of lines of common carriers ~~(49~~
22 ~~U.S.C. 1(21)).~~

23 ~~(E)~~ (C) relating generally to qualifications and
24 maximum hours of service of employees and safety

1 of operation and equipment: Sections 204 (a) (1)
2 and (2), to the extent that they relate to qualifica-
3 tions and maximum hours of service of employees
4 and safety of operation and equipment; and sections
5 204 (a) (3), (3a), and (5) (49 U.S.C. 304).

6 ~~(F)~~ (D) to the extent they relate to private
7 carriers of property by motor vehicle and carriers of
8 migrant workers by motor vehicle other than con-
9 tract carriers: Sections 221 (a), 221 (c), and 224
10 (49 U.S.C. 321 et seq.).

11 (f) (1) Nothing in subsection (e) shall diminish the
12 functions, powers, and duties of the Interstate Commerce
13 Commission under sections 1 (6), 206, 207, 209, 210a, 212,
14 and 216 of the Interstate Commerce Act (49 U.S.C. 1 (6),
15 306 et seq.) or under any other section of that Act not
16 specifically referred to in the ~~first paragraph of this~~
17 ~~subsection~~ *subsection (e)*.

18 (2) (A) With respect to any function which is trans-
19 ferred to the Secretary by subsection (e) and which was
20 vested in the Interstate Commerce Commission preceding
21 such transfer, the Secretary shall have the same adminis-
22 trative powers under the Interstate Commerce Act as the
23 Commission had before such transfer with respect to such
24 transferred function. After such transfer, the Commission
25 may exercise its administrative powers under the Interstate

1 Commerce Act only with respect to those of its functions
2 not transferred by subsection (e).

3 (B) For purposes of this paragraph—

4 (i) the term “function” includes power and duty,
5 and

6 (ii) the term “administrative powers under the
7 Interstate Commerce Act” means any functions under
8 the following provisions of the Interstate Commerce Act:
9 Sections 12, 13 (1), 13 (2), 14, 16 (12), the last sen-
10 tence of 18 (1), sections 20 (except clauses (3), (4),
11 (11), and (12) thereof), 204 (a) (6) and (7), 204
12 (c), 204 (d), 205 (d), 205 (f), 220 (except subsection
13 (c) and the proviso of subsection (a) thereof), 222
14 (except subsections (b) (2) and (b) (3) thereof), and
15 417 (b) (1) (49 U.S.C. 12 et seq., 304 et seq., and
16 1017).

17 (g) There are hereby transferred to and vested in the
18 Secretary all functions, powers, and duties of the Secretary
19 of the Army and other officers and offices of the Department
20 of the Army under—

21 (1) the following law and provisions of law relating
22 generally to water vessel anchorages:

23 (A) Section 7 of the Act of March 4, 1915 (38
24 Stat. 1053; 33 U.S.C. 471).

1 (B) Article 11 of section 1 of the Act of June
2 7, 1897 (30 Stat. 98; 33 U.S.C. 180).

3 (C) Rule 9 of section 1 of the Act of February
4 8, 1895 (28 Stat. 647; 33 U.S.C. 258).

5 (D) Rule numbered 13 of section 4233 of the
6 Revised Statutes (33 U.S.C. 322).

7 (2) the following provision of law relating gen-
8 erally to drawbridge operating regulations: Section 5
9 of the Act of August 18, 1894 (28 Stat. 362; 33 U.S.C.
10 499).

11 (3) the following law relating generally to obstruc-
12 tive bridges: The Act of June 21, 1940 (54 Stat. 497;
13 33 U.S.C. 511 et seq.).

14 (4) the following laws and provisions of law relat-
15 ing generally to the reasonableness of tolls:

16 (A) Section 4 of the Act of March 23, 1906
17 (34 Stat. 85; 33 U.S.C. 494).

18 (B) Section 503 of the General Bridge Act of
19 1946 (60 Stat. 847; 33 U.S.C. 526).

20 (C) Section 17 of the Act of June 10, 1930
21 (46 Stat. 552; 33 U.S.C. 498a).

22 (D) The Act of June 27, 1930 (46 Stat. 821;
23 33 U.S.C. 498b).

24 (E) The Act of August 21, 1935 (49 Stat.
25 670; 33 U.S.C. 503 et seq.).

(5) the following law relating to prevention of pollution of the sea by oil: The Oil Pollution Act, 1961 (75 Stat. 402; 33 U.S.C. 1001 et seq.).

(6) the following laws and provision of law to the extent that they relate generally to the location and clearances of bridges and causeways in the navigable waters of the United States:

(A) Section 9 of the Act of March 3, 1899 (30 Stat. 1151; 33 U.S.C. 401).

(B) The Act of March 23, 1906 (34 Stat. 84; 33 U.S.C. 491 et seq.).

(C) The General Bridge Act of 1946 (60 Stat. 847; 33 U.S.C. 525 et seq.).

(h) Notwithstanding any other provision of this Act, the transfer of functions, powers, and duties to the Secretary shall not include functions vested by the Administrative Procedure Act (60 Stat. 237; 5 U.S.C. 1001 et seq.) in hearing examiners employed by any agency or component thereof whose functions are transferred under the provisions of this Act.

TRANSPORTATION INVESTMENT STANDARDS

SEC. 7. (a) The Secretary shall develop and from time to time in the light of experience revise standards and criteria consistent with national transportation policies, for the formu-

1 lation and economic evaluation of all proposals for the invest-
2 ment of Federal funds in transportation facilities or equip-
3 ment, except such proposals as are concerned with (1) the
4 acquisition of transportation facilities or equipment by Federal
5 agencies in providing transportation services for their own
6 use; (2) grant-in-aid programs authorized by law; (3) an
7 interoceanic canal located outside the continental United
8 States; (4) defense features included at the direction or
9 upon official certification of the Department of Defense
10 in the design and construction of civil air, sea, and land trans-
11 portation; ~~or~~ (5) programs of foreign assistance; *or* (6)
12 *water resource projects*. The standards and criteria devel-
13 ~~oped~~ by the Secretary shall be applicable to transportation
14 features of ~~water resource~~ projects upon concurrence of the
15 Water Resources Council and shall be compatible with the
16 standards and criteria for economic evaluation applicable to
17 ~~nontransportation~~ features of such projects. For purposes
18 of considering such standards and criteria in relation to ~~water~~
19 ~~resource~~ projects, the Secretary shall be a member of the
20 ~~Water Resources Council~~. The Secretary shall, at a time
21 selected by him, prior to the presentation of standards and
22 criteria to the President for approval, publish a notice of
23 proposed standards and criteria in the Federal Register and
24 provide an opportunity for interested persons to present their
25 views on them. The standards and criteria developed or

1 revised pursuant to this subsection shall be promulgated by
2 the Secretary upon their approval by the President.

3 (b) Every survey, plan, or report formulated by a Fed-
4 eral agency which includes a proposal as to which the Sec-
5 retary has promulgated standards and criteria pursuant to
6 subsection (a) shall be (1) prepared in accord with such
7 standards and criteria and upon the basis of information fur-
8 nished by the Secretary with respect to projected growth
9 of transportation needs and traffic in the affected area, the
10 relative efficiency of various modes of transportation, the
11 available transportation services in the area, and the general
12 effect of the proposed investment on the overall transporta-
13 tion system of the area, and on the regional and national
14 economy; (2) coordinated by the proposing agency with
15 the Secretary and, as appropriate, with other Federal agen-
16 cies, States, and local units of government for inclusion of his
17 and their views and comments; and (3) transmitted there-
18 after by the proposing agency for disposition in accord with
19 law and procedures established by the President.

20 AMENDMENTS TO OTHER LAWS

21 SEC. 8. (a) Section 406 (b) of the Federal Aviation
22 Act of 1958 (72 Stat. 763, 49 U.S.C. 1376 (b)), is amended
23 by adding the following sentence at the end thereof: "In
24 applying clause (3) of this subsection, the Board shall take

1 into consideration any standards and criteria prescribed by
2 the Secretary of Transportation, for determining the character
3 and quality of transportation required for the commerce of
4 the United States and the national defense.”

5 (b) Section 201 of the Appalachian Regional Develop-
6 ment Act of 1965 (79 Stat. 10, 40 U.S.C. App. 201) is
7 amended as follows:

8 (1) The first sentence of subsection (a) of that section
9 is amended by striking out “Commerce (hereafter in this
10 section referred to as the ‘Secretary’)” and inserting in
11 lieu thereof “Transportation”.

12 (2) The last sentence of subsection (a) of that section
13 is amended by inserting “of Transportation” after “Secre-
14 tary”.

15 (3) Subsection (b) of that section is amended by in-
16 serting “of Commerce” after “Secretary”.

17 (4) Subsection (c) of that section is amended by strik-
18 ing out the first sentence and inserting in lieu thereof the fol-
19 lowing: “Such recommendations as are approved by the
20 Secretary of Commerce shall be transmitted to the Secretary
21 of Transportation for his approval.”

22 (5) The second sentence of subsection (c) of that sec-
23 tion is amended by inserting “of Transportation” after “Sec-
24 retary”.

1 (6) Subsection (e) of that section is amended by in-
2 serting "of Transportation" after "Secretary".

3 (7) Subsection (f) of that section is amended by strik-
4 ing out "Secretary determines", and inserting in lieu thereof
5 "Secretary of Commerce and the Secretary of Transportation
6 determine".

7 (8) Subsection (g) of that section is amended by in-
8 serting before the period at the end thereof the following:
9 "to the Secretary of Commerce, who shall transfer funds to
10 the Secretary of Transportation for administration of projects
11 approved by both Secretaries".

12 (c) Section 206 (c) of the Appalachian Regional De-
13 velopment Act of 1965 (79 Stat. 15, 40 U.S.C. App.
14 206 (c)) is amended by inserting "Secretary of Transporta-
15 tion," after "Interior,".

16 (d) Section 212 (a) of the Interstate Commerce Act
17 (49 Stat. 555, 49 U.S.C. 312 (a)) is amended by striking
18 out "of the Commission" the second, third, and fourth times
19 those words occur.

20 (e) Section 13 (b) (1) of the Fair Labor Standards
21 Act of 1938 (52 Stat. 1067, 29 U.S.C. 213 (b) (1)) is
22 amended by striking out "Interstate Commerce Commis-
23 sion" and inserting in lieu thereof "Secretary of Transporta-
24 tion".

1 (f) The second sentence of section 3 of the Federal
2 Explosives Act (40 Stat. ~~385~~ 386, 50 U.S.C. 123) is amended
3 to read as follows: "This Act shall not apply to explosives
4 or ingredients which are in transit upon vessels, railroad
5 cars, aircraft, or other conveyances in conformity with statu-
6 tory law or with the rules and regulations of the Secretary
7 of Transportation."

8 ADMINISTRATIVE PROVISIONS

9 SEC. 9. (a) In addition to the authority contained in
10 any other Act which is transferred to and vested in the
11 Secretary, the Secretary is authorized, subject to the civil
12 service and classification laws, to select, appoint, employ,
13 and fix the compensation of such officers and employees, in-
14 cluding attorneys, as are necessary to carry out the pro-
15 visions of this Act and to prescribe their authority and
16 duties.

17 (b) Notwithstanding any provision of this Act or other
18 law—

19 (1) a member of the Coast Guard on active duty
20 may be appointed, detailed, or assigned to any position
21 in the Department other than Secretary, Under Secre-
22 tary, and Assistant Secretary for Administration, and

23 (2) a retired member of the Coast Guard may be
24 appointed to any position in the Department.

25 (c) The Secretary may obtain services as authorized

1 by section 15 of the Administrative Expenses Act of 1946
2 (60 Stat. 810, 5 U.S.C. 55a), but at rates not to exceed
3 \$100 per diem for individuals unless otherwise specified in
4 an appropriation Act.

5 (d) The Secretary is authorized to provide for par-
6 ticipation of military personnel in carrying out his func-
7 tions. Members of the Army, the Navy, the Air Force, or
8 the Marine Corps may be detailed for service in the Depart-
9 ment by the appropriate Secretary, pursuant to cooperative
10 agreements with the Secretary of Transportation.

11 (e) (1) Appointment, detail, or assignment to, accept-
12 ance of, and service in any appointive or other position in the
13 Department under the authority of subsection (b) (1) or sub-
14 section (d) shall in no way affect status, office, rank, or
15 grade which officers or enlisted men may occupy or hold, or
16 any emolument, perquisite, right, privilege, or benefit, inci-
17 dent to or arising out of any such status, office, rank, or grade
18 nor shall any member so appointed, detailed, or assigned be
19 charged against any statutory limitation on grades or
20 strengths applicable to the armed forces. A person so ap-
21 pointed, detailed, or assigned shall not be subject to direction
22 by or control by his armed force or any officer thereof di-
23 rectly or indirectly with respect to the responsibilities exer-
24 cised in the position to which appointed, detailed, or
25 assigned.

1 (2) The Secretary shall report annually in writing to
2 the Congress on personnel appointed and agreements en-
3 tered into under subsection (d) of this section, including
4 the number, rank, and positions of members of the armed
5 services detailed pursuant thereto.

6 (f) In addition to the authority to delegate and redele-
7 gate contained in any other Act, in the exercise of the func-
8 tions transferred to or vested in the Secretary in this Act,
9 the Secretary may delegate any of his functions, powers, and
10 duties to such officers and employees of the Department
11 as he may designate, may authorize such successive redele-
12 gations of such functions, powers, and duties as he may deem
13 desirable, and may make such rules and regulations as may
14 be necessary to carry out his functions, powers, and duties.

15 (g) The personnel, assets, liabilities, contracts, prop-
16 erty, records, and unexpended balances of appropriations,
17 authorizations, allocations, and other funds employed, held,
18 used, arising from, available or to be made available, of the
19 Federal Aviation Agency, and of the head and other officers
20 and offices thereof, are hereby transferred to the Secretary.

21 (h) So much of the positions, assets, liabilities, con-
22 tracts, property, records, and unexpended balances of ap-
23 propriations, authorizations, allocations, and other funds
24 employed, held, used, arising from, available or to be made
25 available in connection with the functions, powers, and duties

1 transferred by sections 6 (except section 6 (c)), 8 (d) , and
2 8 (e) of this Act as the Director of the Bureau of the Budget
3 shall determine shall be transferred to the Secretary. Ex-
4 cept as provided in subsection (i) , personnel engaged in
5 these functions, powers, and duties shall be transferred in
6 accordance with applicable laws and regulations relating
7 to transfer of functions.

8 (i) The transfer of personnel pursuant to subsections
9 (g) and (h) of this section shall be without reduction in
10 classification or compensation for one year after such
11 transfer.

12 (j) In any case where all of the functions, powers, and
13 duties of any office or agency, other than the Coast Guard,
14 are transferred pursuant to this Act, such office or agency
15 shall lapse. Any person who, on the effective date of this
16 Act, held a position compensated in accordance with the
17 Federal Executive Salary Schedule, and who, without a
18 break in service, is appointed in the Department to a posi-
19 tion having duties comparable to those performed immedi-
20 ately preceding his appointment shall continue to be com-
21 pensated in his new position at not less than the rate pro-
22 vided for his previous position, for the duration of his service
23 in his new position.

24 (k) The Secretary is authorized to establish a working
25 capital fund, to be available without fiscal year limitation,

1 for expenses necessary for the maintenance and operation of
2 such common administrative services as he shall find to be
3 desirable in the interest of economy and efficiency in the De-
4 partment, including such services as a central supply service
5 for stationery and other supplies and equipment for which
6 adequate stocks may be maintained to meet in whole or in
7 part the requirements of the Department and its agencies;
8 central messenger, mail, telephone, and other communica-
9 tions services; office space, central services for document re-
10 production, and for graphics and visual aids; and a central
11 library service. The capital of the fund shall consist of any
12 appropriations made for the purpose of providing capital
13 (which appropriations are hereby authorized) and the fair
14 and reasonable value of such stocks of supplies, equipment,
15 and other assets and inventories on order as the Secretary
16 may transfer to the fund, less the related liabilities and
17 unpaid obligations. Such funds shall be reimbursed from
18 available funds of agencies and offices in the Department,
19 or from other sources, for supplies and services at rates which
20 will approximate the expense of operation, including the ac-
21 crued of annual leave and the depreciation of equipment.
22 The fund shall also be credited with receipts from sale or
23 exchange of property and receipts in payment for loss or
24 damage to property owned by the fund.

25 (1) The Secretary shall cause a seal of office to be

1 made for the Department, and judicial notice shall be taken
2 of such seal.

3 (m) In addition to the authority contained in any other
4 Act which is transferred to and vested in the Secretary, and
5 as necessary and when not otherwise available, the Secretary
6 is authorized to provide for, construct, or maintain the fol-
7 lowing for employees and their dependents stationed at re-
8 mote localities:

- 9 (1) Emergency medical services and supplies;
- 10 (2) Food and other subsistence supplies;
- 11 (3) Messing facilities;
- 12 (4) Motion picture equipment and film for recrea-
13 tion and training;
- 14 (5) Reimbursement for food, clothing, medicine,
15 and other supplies furnished by such employees in emer-
16 gencies for the temporary relief of distressed persons;
17 and
- 18 (6) Living and working quarters and facilities.

19 The furnishing of medical treatment under paragraph (1)
20 and the furnishing of services and supplies under para-
21 graphs (2) and (3) of this subsection shall be at prices
22 reflecting reasonable value as determined by the Secretary,
23 and the proceeds therefrom shall be credited to the appro-
24 priation from which the expenditure was made.

25 (n) (1) The Secretary is authorized to accept, hold, ad-

1 minister, and utilize gifts and bequests of property, both real
2 and personal, for the purpose of aiding or facilitating the
3 work of the Department. Gifts and bequests of money and
4 the proceeds from sales of other property received as gifts or
5 bequests shall be deposited in the Treasury in a separate fund
6 and shall be disbursed upon order of the Secretary of Trans-
7 portation. Property accepted pursuant to this paragraph,
8 and the proceeds thereof, shall be used as nearly as possible in
9 accordance with the terms of the gift or bequest.

10 (2) For the purpose of Federal income, estate, and gift
11 taxes, property accepted under paragraph (1) shall be con-
12 sidered as a gift or bequest to or for use of the United States.

13 (3) Upon the request of the Secretary, the Secretary of
14 the Treasury may invest and reinvest in securities of the
15 United States or in securities guaranteed as to principal and
16 interest by the United States any moneys contained in the
17 fund provided for in paragraph (1). Income accruing from
18 such securities, and from any other property held by the
19 Secretary pursuant to paragraph (1), shall be deposited to
20 the credit of such fund, and shall be disbursed upon order
21 of the Secretary of Transportation.

22 (o) (1) The Secretary is authorized, upon the written
23 request of any person, or any State, territory, possession, or
24 political subdivision thereof to make special statistical studies
25 relating to foreign and domestic transportation, and *special*

1 *statistical studies relating to* other matters falling within the
2 province of the Department, to prepare from its records
3 special statistical compilations, and to furnish transcripts of
4 its studies, tables, and other records upon the payment of
5 the actual cost of such work by the person or body re-
6 questing it.

7 (2) All moneys received by the Department in pay-
8 ment of the cost of work under paragraph (1) shall be
9 deposited in a special account to be administered under
10 the direction of the Secretary. These moneys may be used,
11 in the discretion of the Secretary, and notwithstanding any
12 other provisions of law, for the ordinary expenses incidental
13 to the work and/or to secure in connection therewith the
14 special services of persons who are neither officers nor em-
15 ployees of the United States.

16 (p) The Secretary is authorized to appoint, without
17 regard to the civil service laws, such advisory committees as
18 shall be appropriate for the purpose of consultation with and
19 advice to the Department in performance of its functions.
20 Members of such committees, other than those regularly em-
21 ployed by the Federal Government, while attending meet-
22 ings of such committees or otherwise serving at the request
23 of the Secretary, may be paid compensation at rates not
24 exceeding those authorized for individuals under subsection
25 (c) of this section, and while so serving away from their

1 homes or regular places of business, they may be allowed
2 travel expenses, including per diem in lieu of subsistence, as
3 authorized by section 5 of the Administrative Expenses Act
4 of 1946 (5 U.S.C. 73b-2) for persons in the Government
5 service employed intermittently.

6 CONFORMING AMENDMENTS TO OTHER LAWS

7 SEC. 10. (a) Section 19(d)(1) of title 3, United
8 States Code, is hereby amended by inserting before the period
9 at the end thereof the following: “, Secretary of Trans-
10 portation”.

11 (b) Section 158 of the Revised Statutes (5 U.S.C. 1)
12 is amended by adding at the end thereof:

13 “Twelfth. The Department of Transportation.”

14 (c) The amendment made by subsection (b) of this
15 section shall not be construed to make applicable to the
16 Department any provision of law inconsistent with this Act.

17 (d) Section 303 of the Federal Executive Salary Act
18 of 1964 (78 Stat. 416, 5 U.S.C. 2211) is amended as
19 follows:

20 (1) Subsection (a) of that section is amended by add-
21 ing at the end thereof the following:

22 “(11) Secretary of Housing and Urban Develop-
23 ment.

24 “(12) Secretary of Transportation.”

25 (2) Subsection (c) of that section is amended by strik-

1 ing out “(6) Under Secretary of Commerce for Transporta-
2 tion” and inserting in lieu thereof “(6) Under Secretary of
3 Transportation”.

4 (3) Subsection (d) of that section is amended by add-
5 ing at the end thereof the following:

6 “(70) Assistant Secretaries, Department of Trans-
7 portation, (4).

8 “(71) General Counsel, Department of Trans-
9 portation.

10 “(72) Chairman, National Transportation Safety
11 Board, Department of Transportation.”

12 (4) Subsection (e) of that section is amended by adding
13 at the end thereof the following:

14 “(101) Assistant Secretary for Administration, De-
15 partment of Transportation.

16 “(102) Members, National Transportation Safety
17 Board, Department of Transportation (4).”

18 (5) Subsection (f) of that section is amended by strik-
19 ing out “thirty” and inserting in lieu thereof “thirty-nine”.

20 (6) That section is further amended by adding at the
21 end thereof the following new subsection:

22 “(h) The President is further authorized to place one
23 position in level III.”

24 (e) Subsections (b) (7), (d) (2), and (e) (12),
25 (13), (14), (76), (82), and (89) of section 303 of the

1 Federal Executive Salary Act of 1964 (78 Stat. 416, 5
2 U.S.C. 2211) are repealed.

3 (f) The Act of August 1, 1956 (70 Stat. 897, 46
4 U.S.C. 1241c), is amended by striking out the words "Sec-
5 retary of Commerce" where they appear therein and insert-
6 ing in lieu thereof "Secretary of Transportation".

7 (g) Section 1020 of title 18, United States Code, is
8 amended by striking out "Secretary of Commerce" wherever
9 it appears therein and inserting in lieu thereof "Secretary of
10 Transportation".

11 (h) Subsection (1) of section 801 of title 10, United
12 States Code, is amended by striking out "the General Coun-
13 sel of the Department of the Treasury" and inserting in lieu
14 thereof "the General Counsel of the Department of Trans-
15 portation".

16 ANNUAL REPORT

17 SEC. 11. The Secretary shall, as soon as practicable after
18 the end of each fiscal year, make a report in writing to the
19 President for submission to the Congress on the activities of
20 the Department during the preceding fiscal year.

21 SAVINGS PROVISIONS

22 SEC. 12. (a) All orders, determinations, rules, regula-
23 tions, permits, contracts, certificates, licenses, and privi-
24 leges—

1 (1) which have been issued, made, granted, or al-
2 lowed to become effective—

3 (A) under any provision of law amended by
4 this Act, or

5 (B) in the exercise of duties, powers, or func-
6 tions which are transferred under this Act,

7 by (i) any department or agency, any functions of
8 which are transferred by this Act, or (ii) any court of
9 competent jurisdiction, and

10 (2) which are in effect at the time this Act takes
11 effect,

12 shall continue in effect according to their terms until modified,
13 terminated, superseded, set aside, or repealed by the Secre-
14 tary, Board, or General Counsel (in the exercise of any
15 authority respectively vested in them by this Act), by any
16 court of competent jurisdiction, or by operation of law.

17 (b) The provisions of this Act shall not affect any
18 proceedings pending at the time this section takes effect be-
19 fore any department or agency (or component thereof),
20 functions of which are transferred by this Act; but such
21 proceedings, to the extent that they relate to functions so
22 transferred, shall be continued before the Department. Such
23 proceedings, to the extent they do not relate to functions so
24 transferred, shall be continued before the department or

1 agency before which they were pending at the time of such
2 transfer. In either case orders shall be issued in such pro-
3 ceedings, appeals shall be taken therefrom, and payments
4 shall be made pursuant to such orders, as if this Act had not
5 been enacted; and orders issued in any such proceedings shall
6 continue in effect until modified, terminated, superseded, or
7 repealed by the Secretary, Board, or General Counsel (in
8 the exercise of any authority respectively vested in them by
9 this Act), by a court of competent jurisdiction, or by opera-
10 tion of law.

11 (c) (1) Except as provided in paragraph (2) —

12 (A) the provisions of this Act shall not affect suits
13 commenced prior to the date this section takes effect, and

14 (B) in all such suits proceedings shall be had, ap-
15 peals taken, and judgments rendered, in the same man-
16 ner and effect as if this Act had not been enacted.

17 No suit, action, or other proceeding commenced by or against
18 any officer in his official capacity of any department or
19 agency, functions of which are transferred by this Act, shall
20 abate by reason of the enactment of this Act. No cause of
21 action by or against any department or agency, functions of
22 which are transferred by this Act, or by or against any
23 officer thereof in his official capacity shall abate by reason of
24 the enactment of this Act. Causes of actions, suits, actions
25 or other proceedings may be asserted by or against the

1 United States or such official of the Department as may be
2 appropriate and, in any litigation pending when this section
3 takes effect, the court may at any time, on its own motion or
4 that of any party, enter an order which will give effect to the
5 provisions of this subsection.

6 (2) If before the date on which this Act takes effect,
7 any department or agency, or officer thereof in his official
8 capacity, is a party to a suit, and under this Act—

9 (A) such department or agency is transferred to the
10 Secretary, or

11 (B) any function of such department, agency, or
12 officer is transferred to the Secretary,

13 then such suit shall be continued by the Secretary (except in
14 the case of a suit not involving functions transferred to the
15 Secretary, in which case the suit shall be continued by the
16 department, agency, or officer which was a party to the suit
17 prior to the effective date of this Act).

18 (d) With respect to any function, power, or duty trans-
19 ferred by this Act and exercised after the effective date of this
20 Act, reference in any other Federal law to any department
21 or agency, officer or office so transferred or functions of which
22 are so transferred shall be deemed to mean the officer or
23 agency in which this Act vests such function after such
24 transfer.

SEPARABILITY

SEC. 13. If any provision of this Act or the application thereof to any person or circumstances is held invalid, the remainder of this Act, and the application of such provision to other persons or circumstances shall not be affected thereby.

CODIFICATION

SEC. 14. The Secretary shall propose to the Congress within two years from the effective date of this Act, a codification of all laws that contain the powers, duties, and functions transferred to or vested in the Secretary or the Department by this Act.

EFFECTIVE DATE; INITIAL APPOINTMENT OF

OFFICERS

SEC. 15. (a) This Act shall take effect ninety days after the Secretary first takes office, or on such prior date after enactment of this Act as the President shall prescribe and publish in the Federal Register.

(b) Any of the officers provided for in sections 3 or 5 of this Act may (notwithstanding subsection (a)) be appointed in the manner provided for in such sections, at any time after the date of enactment of this Act. Such officers shall be compensated from the date they first take office, at

1 the rates provided for in sections 5 and 10 of this Act.
2 Such compensation and related expenses of their offices shall
3 be paid from funds available for the functions to be trans-
4 ferred to the Department pursuant to this Act.

89TH CONGRESS
2^D SESSION

H. R. 15963

[Report No. 1701]

A BILL

To establish a Department of Transportation,
and for other purposes.

By Mr. HOLIFIELD

JUNE 27, 1966

Referred to the Committee on Government Operations

JULY 15, 1966

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D. C. 20250
OFFICIAL BUSINESS

POSTAGE AND FEES PAID
U. S. DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

Issued July 19, 1966
For actions of July 18, 1966
89th-2nd; No. 114

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HIGHLIGHTS: Senate debated foreign aid authorization bill.

SENATE

1. FOREIGN AID. Began debate on S. 3584, the foreign aid authorization bill (pp. 15288-309, 15334-347). Agreed to an amendment by Sen. Byrd, Va., to bar aid to any country which fails to take steps within 60 days after enactment of this bill to prevent ships or planes under its registry from transporting to or from North Vietnam any equipment, materials, or commodities (pp. 15296-308, 15334).

Several Senators submitted amendments intended to be proposed to this bill.
p. 15252

2. FOOD STAMP. Both Houses received from this Department a proposed bill to amend the Food Stamp Act of 1964 for the purpose of authorizing appropriations for fiscal years subsequent to the fiscal year ending June 30, 1967; to House Agriculture and Senate Agriculture and Forestry Committees. pp. 15247, 15249
3. LOANS. Both Houses received from Farm Credit Administration a proposed bill to delete the interest rate limitation on debentures issued by Federal intermediate credit banks and on loans made by Federal land banks and banks for cooperatives; to House Agriculture and Senate Agriculture and Forestry Committees. pp. 15247, 15249
4. TRANSPORTATION. Sen. Mansfield submitted an amendment to S. 3010, to establish a Department of Transportation, which "would place the St. Lawrence Seaway Development Corporation in the proposed new Department." pp. 15252-3
5. COSPONSORS. Sen. Javits was added as a cosponsor to S. 3408, the proposed Intergovernmental Personnel Act; and Sen. Douglas was added as a cosponsor to S. 3584, the foreign aid authorization bill. p. 15253
6. AID. Sen. Metcalf commended the sending by AID of eight volunteer agricultural workers, including two farmers, to Vietnam to teach American production skills and farming methods. p. 15347
7. CHILD NUTRITION. Sen. Proxmire urged "rapid action" in the House to pass the Ellender child nutrition bill. p. 15254
8. INFLATION. Sen. Proxmire stated that "This great American economy is not accelerating. It is slowing down," and inserted several articles on the subject. pp. 15254-6
Sen. Javits claimed that "The administration's unwillingness or inability to stop the present drift in economic policy and to deal with inflation effectively is threatening a major crisis for the United States." pp. 15256-7
9. AGRICULTURAL APPROPRIATIONS. Sen. Javits commended the Appropriations Committee for "restoring the administration's proposed cutbacks in the school milk, school lunch, land-grant college and agricultural research programs," and expressed the hope that the Senate conferees will adopt the increased sums allotted by the Senate in regard to rural community development and school lunch programs. pp. 15258-9
10. FARM PROGRAM. Sen. Yarborough inserted West Texas Chamber of Commerce resolutions "which directly affect the agricultural economy of West Texas." pp. 15273-4
11. TERRITORIES. Sen. Fong spoke in favor of proposed legislation to authorize increased appropriations for the Trust Territory of the Pacific Islands and inserted several articles on the subject. pp. 15272-3
12. PERSONNEL; INVASION OF PRIVACY. Sen. Ervin criticized the alleged "increasing reliance on methods, instruments, and devices which tend to invade basic rights" of Federal employees. pp. 15347-63
13. HISTORIC SITES. Sen. Yarborough commended and inserted resolutions of the Texas State Historical Survey Committee endorsing S. 3035, for the preservation of historic sites. p. 15279

train, should not be discontinued in the absence of clear evidence that it has no potential for economic viability.

The ICC further ruled that:

Examining the patronage and revenue levels, scheduling, alternative train service and feasibility for use in connecting carrier service of all of these evening through trains, we conclude that the New Haven should be required to continue to operate only trains Nos. 28 (the "Gilt Edge"), 168 ("Montrealer"), 176 (the "Federal").

Thus, on April 27, the ICC held that the operations of the Montrealer should be continued.

On July 6, 1966, only a few weeks after this finding, the ICC issued an order relative to the proposed discontinuance of passenger service between Springfield, Mass., and White River Junction, Vt., by the Boston & Maine Corp., wherein the Commission stated as a conclusion of law that four passenger trains, including the "Washingtonian" and "Montrealer," were indeed a burden upon interstate commerce, and authorized their discontinuance, but issued no report in connection with this finding at the time.

Almost immediately, the Boston & Maine announced its intention to discontinue operating these trains on July 11, and was only prevented from doing so by a temporary restraining order issued by U.S. District Judge Ernest W. Gibson.

The validity of this order will be considered by a three-man panel of the U.S. Second Circuit Court of Appeals today, July 18.

Thus, we find now that the New Haven road is directed to continue to operate the same trains that the Boston & Maine is authorized to discontinue, although the tracks of both lines are necessary to the operation of the trains.

It is not my purpose today to pass on the essentiality of operating these trains, although, as I have pointed out, they constitute the only rail passenger link between Washington and Montreal and Ottawa.

I shall not dwell on the national security aspects of this service—although the State of Vermont is expected to accept refugees from southern New England in time of crisis.

Nor do I know how thousands of persons from southern New England and the eastern seaboard, will get to the Montreal World's Fair next year if all train service is discontinued.

The point which I wish to stress today is much more important than the operation of one, two, three, or four trains.

It concerns either an indictment of the Congress or a misinterpretation of the intent of Congress.

It may be that the Second Circuit Court of Appeals will find that it has no jurisdiction over this matter—since in a previous case—*State of New Hampshire against Boston & Maine Corp., United States of America and Interstate Commerce Commission*, civil action No. 2570, the court held:

While Congress did not expressly deny judicial review of § 13(a) (1) proceedings, we find apart from the terms of § 13(a) (1) the difference between subsections (1) and (2) highly persuasive that Congress did, indeed, intend that result.

The most appealing argument in support of jurisdiction on these facts is one based

simply on fairness and equity. Since the railroad would have a right to appeal the Commissions order that seven trains are required by the public convenience and necessity and must, therefore, be continued in service, the public should have a right to judicial review with respect to the discontinued trains as well. But the short answer to this argument is that Congress does not have to be fair.

By this decision, it was held that while the railroads under the law have the right to appeal certain decisions of the ICC, the public has no similar rights.

Please note the last sentence of this quotation from the court decision:

But the short answer to this argument is that Congress does not have to be fair.

The implication of this sentence is that Congress, in amending the ICC Act in 1958, either was not fair, did not intend to be fair or was not aware of the implication if its acts.

This indictment of the Congress should not be permitted to stand unchallenged.

The very first line of the Interstate Commerce Act, as amended, reads:

It is hereby declared to be the national transportation policy of the Congress to provide for fair and impartial regulation of all mode of transportation, etc.

The Congress today stands indicted of perpetrating an outrageous and unfair act on the people of the United States.

Congress should refute this indictment without delay.

For that reason, I am submitting a resolution expressing the sense of the Senate that this body does intend to be fair and that both the public and the railroads should be accorded fair and equal recourse to the courts.

Mr. President, I wish to add that a long time ago President Johnson asked for the establishment of a Department of Transportation. This followed a recommendation by the Hoover Commission in 1948 that transportation should not be separated into several sections, each regulated by a different agency of Government, with each agency strongly suspected of promoting the particular mode of transportation they are charged with regulating.

I believe it is time for us to give serious consideration to the President's recommendation for the establishment of a Department of Transportation.

So far as I know, there has not been a waterway authorized or really improved for the last 3 years due to the opposition of other modes of transportation.

I think it is time for us to look into the entire situation and do something about it. In the meantime, I could not resist calling to the attention of the Senate the indictment which has been made against the Congress, an indictment of being unfair to the public and that is why I am asking the Committee on Commerce to correct that situation, either by statement or legislation.

I do not vouch for the proper wording of the resolution which I am introducing on behalf of myself and Senator PROUTY, but I do vouch for the statement that the situation is very bad. Congress cannot afford to let this charge against it go unchallenged.

The ACTING PRESIDENT pro tempore. The resolution will be received and appropriately referred.

The resolution (S. Res. 284) was referred to the Committee on Commerce, as follows:

Whereas, in 1958 the Congress enacted 49 U.S.C. 13(a) giving to the Interstate Commerce Commission power to investigate passenger discontinuance cases;

Whereas, certain federal courts have so interpreted said law so as to give private railroad companies a right of appeal to the district courts when the decision of the Commission is adverse to them but denied the right of appeal to the public protesting such discontinuance when the Commission's decision favors private railroad companies;

Whereas, on April 5, 1966, the Interstate Commerce Commission in Finance Docket No. 23831 ordered the New York, New Haven and Hartford Railroad Company to continue passenger service provided by the "Washingtonian" from Springfield, Mass. to New York City, and as reason for such decision stated:

"Three daily morning trains, Nos. 169 (the 'Washingtonian'), 67 (the 'Bankers'), and 69 (the 'Nathan Hale'), provide inbound service during New York's long rush period and we conclude that these trains should be continued. The 'Washingtonian,' arriving in New York at 8:10 a.m., has generally light patronage and low passenger train mile earnings, but it does handle a quite high volume of through passengers in through train service from Montreal and Boston & Maine origins, as well as a high volume of passengers moving beyond New York City. The 'Washingtonian,' a conveniently scheduled through Montreal-to-Washington, D.C. train, should not be discontinued in the absence of clear evidence that it has no potential for economic viability." Page 214.

The Interstate Commerce Commission further ruled that the "Montrealer" providing passenger service from New York City to Springfield, Mass. should be continued and as reason, therefore, held:

"Examining the patronage and revenue levels, scheduling, alternative train service and feasibility for use in connecting carrier service of all of these evening through trains, we conclude that the New Haven should be required to continue to operate only trains Nos. 28 (the 'Gilt Edge'), 168 (the 'Montrealer'), 176 (the 'Federal')." Page 210.

Whereas, on July 6, 1966, the Interstate Commerce Commission issued an order relative to the proposed discontinuance of passenger service between Springfield, Mass. and White River Junction, Vermont, by the Boston & Maine Corporation, Finance Docket No. 24000, wherein the Commission stated as a conclusion of law that four passenger trains including the "Washingtonian" and the "Montrealer" were indeed a burden upon interstate commerce but delayed issuing a report until some time in the future. Said "Washingtonian" and "Montrealer" are the very same trains which the Commission ordered the New Haven to continue in April of this year because of through service from Washington and New York to Montreal;

Whereas, in certain federal cases, the public has protested unfair treatment by the Interstate Commerce Commission but certain federal courts have held that there is no requirement for a right of appeal as far as the public is concerned and that the federal courts have no jurisdiction to hear such appeals. Thus, in *State of New Hampshire vs Boston & Maine Corporation, United States of America and Interstate Commerce Commission*, Civil Action No. 2570, the Court held:

"While Congress did not expressly deny judicial review of § 13(a) (1) proceedings, we

find apart from the terms of S13(a)(1) the difference between subsections (1) and (2) highly persuasive that Congress did, indeed, intend that result.

"The most appealing argument in support of jurisdiction on these facts is one based simply on fairness and equity. Since the railroad would have a right to appeal, the Commission's order that seven trains are required by the public convenience and necessity and must, therefore, be continued in service, the public should have a right to judicial review with respect to the discontinued trains as well. *But the short answer to this argument is that Congress does not have to be fair.*" (Pages 11 and 12).

Now, therefore, it is hereby resolved that Congress in enacting 49 U.S.C. 13(a) intended to be fair and to give the same right of appeal to the public as to private railroad companies;

Resolved, That Congress in enacting 49 U.S.C. 13(a) did not intend and does not intend to give the Interstate Commerce Commission the right of decision without review;

Resolved, That Congress intends the Interstate Commerce Commission to treat members of the public in Vermont with the same degree of fairness as members of the public in any other State.

Resolved, That Congress intends that the Interstate Commerce Commission treat private railroad companies, such as the New York New Haven and Hartford Railroad, with the same degree of fairness as when dealing with the Boston and Maine Corporation;

Resolved, That if the Interstate Commerce Commission cannot, or will not, fairly treat all private railroad companies equally and if said Commission cannot, or will not, treat all members of the public with equal fairness, that Congress will duly consider the necessary steps to restrict the powers of the Commission or to abolish it.

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. KUCHEL. Mr. President, I would be honored if the Senator from Vermont [Mr. AIKEN] included his friend, the Senator from California [Mr. KUCHEL] as a cosponsor of the resolution.

Mr. AIKEN. I am delighted to add the name of the Senator from California [Mr. KUCHEL] as a cosponsor of the resolution.

Although this is a New England situation that brought the matter up, I have no doubt that other parts of the country have similar situations.

I am delighted to add the name of the Senator from California [Mr. KUCHEL] as a cosponsor of the resolution.

FOREIGN ASSISTANCE ACT OF 1966—AMENDMENTS

AMENDMENT NO. 650

Mr. HICKENLOOPER. Mr. President, I submit an amendment, intended to be proposed by me, to the bill (S. 3584) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes. I ask unanimous consent that the amendment be printed in the RECORD, together with a proposed revision as it would read with matter in brackets eliminated.

The ACTING PRESIDENT pro tempore. The amendment will be received, printed, and will lie on the table; and, without objection, the amendment and proposed revision will be printed in the RECORD.

The amendment (No. 650) is as follows:

On page 16, in lines 2, 7, 8, and 9, strike out "RECONSTRUCTION" and insert "DEVELOPMENT".

In line 10, strike out "underdeveloped" and insert "less developed".

In line 10, strike out "in Asia and Africa".

In line 12, strike out "Reconstruction" and insert "Development".

In line 13, strike out "two" and insert "one or more".

In line 14, strike out "three" and insert "one or more".

In line 15, after "established," insert "A majority of the members of each such Commission shall be citizens of the country in which it is established."

In line 16, strike out "that" and insert "for the selection of".

In line 17, after "established" insert "who wherever feasible".

In line 20, insert a period after "office" and strike out the rest of the sentence.

In line 24, strike out "reconstruction in" and insert "development of".

In line 25, strike out "shall" and insert "may".

On page 17, insert a comma after "research"; strike out "and"; after "training" insert "and other".

In line 2, strike out "reconstruction" and insert "development".

In line 12, strike out the quotation marks. After line 12, add the following:

"(e) Nothing in this chapter shall be construed to restrict the authority contained in any other chapters of this Act."

The proposed revision, presented by Mr. HICKENLOOPER, is as follows:

PROPOSED REVISION OF HICKENLOOPER AMENDMENT AS IT WOULD READ WITH MATTER IN BRACKETS ELIMINATED

CHAPTER 7—JOINT COMMISSIONS ON RURAL [RECONSTRUCTION] DEVELOPMENT

SEC. 471. Joint Commissions on Rural [Reconstruction] Development (a) the President is authorized to conclude agreements with [under-] less developed countries [in Asia and Africa] providing for the establishment in such countries of Joint Commissions on Rural [Reconstruction] Development each of which shall be composed of one or more [two] citizens of the United States appointed by the President and one or more [three] citizens of the country in which the Commission is established. A majority of the members of each such Commission shall be citizens of the country in which it is established. Each such agreement shall provide for the selection of [that] the members who are citizens of the country in which the Commission is established who wherever feasible shall be selected in such manner and for such terms of office as will insure to the maximum extent possible their tenure and continuity in office. [Independently of any changes in political regimes in such country.]

(b) A commission established pursuant to an agreement authorized by this section shall be authorized to formulate and carry out programs for [reconstruction in] development of rural areas in the country in which it is established, which [shall] may include such research, [and] training and other activities as may be necessary or appropriate for such [reconstruction] development.

(c) Not to exceed 10 per centum of the funds made available pursuant to section 212 shall be available to the President in negotiating and carrying out agreements entered into under this section, including the financing of appropriate activities of Commissions established pursuant to such agreements.

(d) The furnishing of assistance under this section shall not be construed as an

express or implied assumption by the United States of any responsibility for making further contributions for such purpose.

(e) Nothing in this chapter shall be construed to restrict the authority contained in any other chapters of this Act.

AMENDMENT NO. 652

Mr. BAYH. Mr. President, I submit an amendment intended to be proposed by me to the foreign aid bill, S. 3584. The purpose of this amendment would be to assure that the Agency for International Development, in purchasing iron and steel products for Vietnam's commodities import program, would implement congressional policy in a manner which would benefit our balance of payments. If adopted this amendment would prevent the payment of exorbitant prices for inferior steel at a time when our own steel industry has been confronted with serious foreign competition.

The ACTING PRESIDENT pro tempore. The amendment will be received, printed, and lie on the table.

AMENDMENT NO. 653

Mr. JAVITS (for himself and Mr. GRUENING) submitted an amendment, intended to be proposed by them, jointly, to Senate bill 3584, supra, which was ordered to lie on the table and to be printed.

AMENDMENT NO. 654

Mr. MCGEE (on behalf of himself, Mr. SPARKMAN, and Mr. CLARK) proposed an amendment to Senate bill 3584, supra, which was ordered to be printed.

AMENDMENT NO. 655

Mr. MILLER submitted an amendment, intended to be proposed by him, to Senate bill 3584, supra, which was ordered to lie on the table and to be printed.

AMENDMENTS NOS. 656 THROUGH 665

Mr. DIRKSEN submitted 10 amendments, intended to be proposed by him, to Senate bill 3584, supra, which were ordered to lie on the table and to be printed.

AMENDMENTS NOS. 666 THROUGH 671

Mr. MORSE submitted six amendments, intended to be proposed by him, to Senate bill 3584, supra, which were ordered to lie on the table and to be printed, and to be printed in the RECORD. (See the above amendments printed in full when submitted by Mr. MORSE, which appears under a separate heading.)

ESTABLISHMENT OF A DEPARTMENT OF TRANSPORTATION—AMENDMENTS

AMENDMENT NO. 651

Mr. MANSFIELD. Mr. President, the senior Senator from Michigan [Mr. HART], had intended to be present today to introduce for himself and the other Senators from the Great Lakes States an amendment to S. 3010, the bill proposing the establishment of a Department of Transportation.

This amendment would place the St. Lawrence Seaway Development Corporation in the proposed new Department by specific statutory provision. It is consistent with the intent of Congress at the time the St. Lawrence Seaway De-

velopment Corporation was first established in 1954.

Every year it is becoming increasingly clear that the seaway is of the greatest importance to the growth of commerce, industry, and agriculture in the heartland of the United States. It is imperative that the management and operations of the U.S. portion of the seaway be given a significant statutory position in the new Department to enable it to work effectively with other Federal agencies and with agencies of the Canadian Government.

I ask unanimous consent, Mr. President, that the text of the letter we have sent to Chairman JOHN McCLELLAN, of the Government Operations Committee, together with the text of the amendment, be printed at this point in my remarks.

The ACTING PRESIDENT pro tempore. The amendment will be received, printed, and appropriately referred; and, without objection, the amendment and letter will be printed in the RECORD.

The amendment (No. 651) was referred to the Committee on Government Operations, as follows:

On page 15, between lines 13 and 14 insert the following new subsection:

"(c)(1) The Saint Lawrence Seaway Development Corporation is hereby transferred to the Department, where it shall be subject to the direction and supervision of the Secretary, and there are hereby transferred to and vested in the Secretary all functions, powers, and duties, relating to the Saint Lawrence Seaway Development Corporation, of the Secretary of Commerce, the Administrator of the Saint Lawrence Seaway Development Corporation and other officers thereof.

"(2) Notwithstanding any other provision of this Act, the Administrator shall report directly to the Secretary.

"On page 15, line 14, strike out '(c)' and substitute '(d)'.

"On page 15, line 18, strike out '(d)' and substitute '(e)'.

"On page 15, line 23, strike out '(e)' and substitute '(f)'.

"On page 18, line 6, strike out '(f)' and substitute '(g)'.

"On page 26, line 19, strike out '6(c)' and substitute '6(d)'."

The letter, presented by Mr. MANSFIELD, is as follows:

JULY 18, 1966.

Hon. JOHN L. McCLELLAN,
Chairman, Committee on Government Operations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: As your Committee begins its consideration of the proposed Department of Transportation, we would like to have before the Committee the enclosed amendment which would place in the new Department the St. Lawrence Seaway Development Corporation.

In 1954, with the enactment of PL 83-358, the Congress established this Corporation, and provided that:

"There is hereby created, subject to the direction and supervision of the President, or the head of such agency as he may designate, a body corporate to be known as the Saint Lawrence Seaway Development Corporation."

There is no question but that enormous benefit has accrued to the commerce, industry and agriculture of the Great Lakes-mid-continent region because of the growing utilization of this transportation facility. The prospects for the future, given proper coordination of U.S. transportation policy and continued cooperation with the Canadian Gov-

ernment, can mean that even more benefits will accrue from commerce flowing to and from this fourth seacoast.

Recently, Departmental Order 185, placing the St. Lawrence Seaway Development Corporation under a Deputy Assistant Secretary of Commerce, and considering it a primal unit for organization purposes, has raised serious doubts in our minds that the intent of the Congress as expressed in PL 83-358 is being carried out. We believe that a reaffirmation of this intent is essential at the time that the new Department of Transportation is created and organized. It is not sufficient to leave this problem to be resolved by Executive Order following establishment of the new Department; past experience indicates that this will not provide adequate remedy for the organizational down-grading of an agency which must play a very important role in national as well as international transportation policy.

Hopefully, your Committee will have the opportunity to review this problem fully. The future of the United States' participation in the growth of the Seaway could well be affected by this decision, and failure to provide for this agency within the legislation establishing the Department of Transportation would materially lessen the desirability of the bill from our point of view.

Admittedly, we speak with a regional voice, but believe with deep conviction the national interest will be served by insuring primary recognition to the St. Lawrence Seaway Development Corporation.

Sincerely,

Senator BIRCH BAYH, Senator PHILIP A. HART, Senator ROBERT GRIFFIN, Senator GAYLORD NELSON, Senator EVERETT DIRKSEN, Senator STEPHEN M. YOUNG, Senator PAUL H. DOUGLAS, Senator FRANK J. LAUSCHE, Senator EUGENE McCARTHY, Senator WILLIAM PROXMIRE, Senator VANCE HARTKE, Senator WALTER F. MONDALE.

ADDITIONAL COSPONSORS OF BILLS AND AMENDMENT

Under authority of the orders of the Senate as indicated below, the following names have been added as additional cosponsors for the following bills and amendment:

Authority of June 28, 1966:

S. 3565. A bill to amend the Internal Revenue Code of 1954 to provide for deduction of certain education expenses of teachers: Mr. ALLOTT, Mr. BENNETT, Mr. BOGGS, Mr. BREWSTER, Mr. CASE, Mr. COOPER, Mr. DOMINICK, Mr. FANNIN, Mr. GRUENING, Mr. HRUSKA, Mr. INOUE, Mr. JORDAN of Idaho, Mr. MORTON, Mr. MURPHY, Mr. PELL, Mr. PROUTY, and Mr. SCOTT.

Authority of June 30, 1966:

S. 3578. A bill to amend title XVIII of the Social Security Act to provide coverage, under the program of supplementary medical insurance benefits established by part B thereof, of certain expenses incurred by an insured individual in obtaining certain drugs: Mr. GRUENING.

S. 3579. A bill to establish a Judicial Service Commission: Mr. DOMINICK, Mr. MILLER, Mr. PEARSON, Mr. PROUTY, and Mr. SIMPSON.

S. 3580. A bill to provide additional readjustment assistance to veterans who served in the Armed Forces during the Vietnam era, and for other purposes: Mr. AIKEN, Mr. ANDERSON, Mr. BARTLETT, Mr. BASS, Mr. BAYH, Mr. BIBLE, Mr. BOGGS, Mr. BREWSTER, Mr. BURDICK, Mr. BYRD of Virginia, Mr. CANNON, Mr. CARLSON, Mr. CHURCH, Mr. CLARK, Mr. COOPER, Mr. COTTON, Mr. DOOB, Mr. DOUGLAS, Mr. EASTLAND, Mr. FONG, Mr. GRUENING, Mr. HARRIS, Mr. HART, Mr. HARTKE, Mr. HOLLAND,

Mr. HRUSKA, Mr. JACKSON, Mr. JAVITS, Mr. KENNEDY of Massachusetts, Mr. KENNEDY of New York, Mr. KUCHEL, Mr. LONG of Missouri, Mr. MAGNUSON, Mr. MANSFIELD, Mr. McCARTHY, Mr. McGEE, Mr. McGOVERN, Mr. METCALF, Mr. MONDALE, Mr. MUNDT, Mr. PELL, Mr. PROUTY, Mr. PROXMIRE, Mr. RANDOLPH, Mr. RIBICOFF, Mr. SCOTT, Mr. TOWER, Mr. TYDINGS, Mr. YARBOROUGH, and Mr. YOUNG of North Dakota.

Authority of July 12, 1966:

S. 3602. A bill to prohibit, without the express approval of Congress, any construction which would result in altering the proportions, changing the size, or modifying the U.S. Capitol Building in any substantial manner, and to establish a commission to study the existing and future needs of the Congress with respect to such building: Mr. McGOVERN.

Amendment No. 638, intended to be proposed by Mr. KUCHEL, to the bill (S. 3164) to provide for continued progress in the Nation's war on poverty: Mr. BENNETT, Mr. COOPER, Mr. GRIFFIN, Mr. HRUSKA, Mr. JAVITS, Mr. JORDAN of Idaho, Mr. MURPHY, Mr. PROUTY, Mr. SALTONSTALL, Mr. SCOTT, and Mr. THURMOND.

ADDITIONAL COSPONSOR OF BILL

Mr. JAVITS. Mr. President, I ask unanimous consent that, at its next printing, my name be added as a cosponsor to S. 3408, the Intergovernmental Personnel Act. This has the approval of the Senator from Maine [Mr. MUSKIE].

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ADDITIONAL COSPONSOR OF AMENDMENT

Mr. JAVITS. Mr. President, I ask unanimous consent that the name of the Senator from Illinois [Mr. DOUGLAS] be added as a cosponsor to my amendment No. 639 to S. 3584, the foreign aid bill.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

NOTICE OF PUBLIC HEARING ON CATV

Mr. McCLELLAN. Mr. President, as chairman of the standing Subcommittee on Patents, Trademarks, and Copyrights of the Committee on the Judiciary, I wish to announce that the subcommittee has scheduled a public hearing on S. 1006, the copyright revision bill, as it relates to community antenna television systems.

These hearings will be held on Tuesday, August 2; Wednesday, August 3; and Thursday, August 4, commencing at 10 a.m. in room 1318, New Senate Office Building.

Anyone who wishes to testify or file a statement for the record should communicate immediately with the office of the subcommittee, room 349-A, Senate Office Building, Washington, D.C., telephone 225-2268.

The subcommittee consists of the Senator from Michigan [Mr. HART], the Senator from North Dakota [Mr. BURDICK], the Senator from Pennsylvania [Mr. SCOTT], the Senator from Hawaii [Mr. FONG], and myself.

JIM RYUN SETS 3:51.3 WORLD RECORD FOR MILE RUN

Mr. CARLSON. Mr. President, I call to the attention of the Senate the outstanding achievement of one of our State's young men.

Yesterday another Kansan, Jim Ryun, a 19-year-old Kansas freshman, set a world record of 3:51.3 for the mile run at the All American Track Meet at the University of California.

In 1934 Glenn Cunningham, another Kansan, became the first American holder of the world mile record, which he ran in 4:06.8.

In addition to Ryun and Cunningham, Kansas has produced other outstanding nationally and internationally known mile runners, such as San Romani and Wes Santee.

Kansans are all proud of the outstanding achievement of this young man.

I ask unanimous consent to have printed in the RECORD an article from the Washington Post of July 18, 1966, entitled "Ryun Predicts 3:50 Before Year Is Out."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RYUN PREDICTS 3:50 BEFORE YEAR IS OUT BUT NOT BY HIM

BERKELEY, Calif., July 17.—Jim Ryun, Kansas' amazing 19-year-old freshman, ran man's greatest mile today and then predicted, "Someone will run a 3:50 mile this year."

But it won't be Ryun, the 6-foot-2, 155-pound super athlete whose 3:51.3 was 2.3 seconds faster than Frenchman Michel Jazy's world record of 3:53.6 set last year.

"This is my last mile race this year," Ryun said, explaining that he has been anxiously looking forward to a vacation "when I can be human again."

Human?

"There are so many things you can't do in training," said the blond young man who rises early and runs as many as 80 miles a week, divided among sprints and distances.

Ryun, who will run a half mile in Los Angeles next week and then lay off until cross-country season, ran his record mile with two taped blisters on the inside of his right foot and developed another on the inside of his left foot during the race. He said they didn't bother him.

He termed everything just great—the track, the weather, the mild breeze.

He said his race was run almost ideally. He always felt there was a chance for a record and was encouraged by the loudspeaker's blaring of his quarter mile times, by his competitors who set the pace until he took over just after the midpoint and by the 15,000 fans in California's Edwards Stadium who stood and cheered throughout the race.

Ryun explained that all six runners in the race were determined to run their personal best. Cary Welsiger of San Diego, Calif., second in 3:58 and Richard Romo of Texas, fourth in 4:01.4, also did.

Ryun hasn't decided yet upon his major subject in college. This summer he is a newspaper photographer with the Topeka, Kan., Capital, where they say he is a good lensman.

But today he couldn't take what may be the sports picture of the year.

RAPID HOUSE ACTION NEEDED ON CHILD NUTRITION LEGISLATION

Mr. PROXMIRE. Mr. President, last week the Senate passed legislation extending the school milk program for 4 years. This proposal was quite similar to a bill introduced by me, and cosponsored by 67 of my Senate colleagues, which would have made the school milk program permanent. However, it was only part of a more inclusive bill introduced by the distinguished chairman of the Senate Agriculture Committee [Mr. ELLENDER], extending and revising both the school lunch and school milk programs.

At the time this legislation was ordered reported to the floor of the Senate I congratulated the Senate Agriculture Committee for taking speedy action to extend the school milk program, but expressed concern over the possibility that the program might become simply an adjunct of the lunch program. I was quite pleased when I read language in the committee's report on the bill making it crystal clear that the milk program was to continue to be administered as in the past.

Subsequent events, however, have unfortunately served to confirm my fears. Had my bill, S. 2921, been reported from the Committee on Agriculture and Forestry of the Senate and passed on the floor it would have undoubtedly been referred to the Agriculture Committee of the House of Representatives where more than 50 bills similar to mine are pending and where we could have expected speedy action. However, because the child nutrition legislation passed by the Senate concentrated on the school lunch program, the Senate bill was referred to the House Education and Labor Committee.

I certainly would not want to imply, Mr. President, that the Education and Labor Committee of the other body will be slow to act on this matter. But where the Agriculture Committee of the other body has held hearings on this legislative area earlier in the year and is presumably ready to move, the Education and Labor Committee of the House of Representatives will have to take the matter up de novo.

I deeply hope that the House of Representatives will move quickly to affirm the Senate's recently expressed support for the milk program. The House of Representatives can do this either by reporting a bill similar to S. 2921, making the school milk program permanent, from its Agriculture Committee or by taking speedy action to approve the Ellender bill in its Education and Labor Committee.

House Agriculture Committee action might well be the quickest road to the goal of an extended program. Certainly a school milk bill reported by the House Agriculture Committee and passed by the full House of Representatives would receive speedy Senate approval. After

all, 68 Senators have sponsored similar legislation. In any event, I wish to emphasize the importance of rapid action in the House of Representatives to resolve any doubts the Nation may have about the future of the school milk program.

DRAMATIC ECONOMIC SLOWDOWN IN SECOND QUARTER SHOWS TAX HIKE, INTEREST RATE INCREASE COULD BE DISASTROUS

Mr. PROXMIRE. Mr. President, this weekend America's newspaper readers and television viewers were almost buried under stories about inflationary pressure on the economy, and the threat of rising prices.

This morning's poll by Louis Harris on President Johnson's popularity, in my judgment, turned on the same theme—the public concern with the rise in the cost of living.

To read the news of the weekend most persons would have received the impression that the economy is roaring ahead as never before, that Americans are recklessly stepping on the gas and wildly careening into a boom that must end in a bust unless further restraints are promptly slapped on by the Government.

Mr. President, the only trouble with this picture is that it is wrong, almost completely wrong.

This great American economy is not accelerating. It is slowing down. And this morning's news shows it. The Department of Commerce's announcement on what happened to the country's business activity in the second 3 months of 1966—that is, April, May, and June—was released for this morning's newspapers. This was the report on the gross national product, the GNP, the prime measure of economic activity.

Did it show a runaway boom?

Consider that in the final quarter of 1965 and the first quarter of 1966, growth had averaged \$17 billion in money terms but \$6 billion of this was because of the rise in prices, the growth in real terms, the actual economic growth in the last quarter of 1965 and the first quarter of 1966, was \$11 billion per quarter.

Now, consider what has actually happened to the American economy in the past 3 months ending June 30th. Instead of the earlier money growth of \$17 billion, the economy did not speed up. It actually slowed down to a growth rate of \$10.8 billion; and instead of a real growth rate of \$11 billion as in the two preceding quarters, the economy only increased its growth by \$3.7 billion or one-half of 1 percent.

Incidentally, that real growth rate of one-half of 1 percent for the immediate past quarter would mean an annual growth rate of only about 2 percent which compares with the 1965 real growth of 5.9 percent.

Mr. President, we should start becoming alarmed at that 2-percent growth

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D. C. 20250
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U. S. DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

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For actions of July 27, 1966
89th-2nd; No. 121

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HIGHLIGHTS: Senate received work plans for various watershed projects. House Rules Committee cleared road authorization and Dept. of Transportation bills. House subcommittee approved child nutrition bill.

HOUSE

1. CHILD NUTRITION. A subcommittee of the Education and Labor Committee approved for full committee consideration S. 3467, the child nutrition bill. p. D681
2. TRANSPORTATION. The Rules Committee reported a resolution for consideration of H. R. 15963, to establish a Department of Transportation. p. 16465
3. ROADS. The Rules Committee reported a resolution for consideration of H. R. 14359, the road authorization bill. As reported, this bill would authorize

\$33 million for forest highways and \$170 million for forest development roads and trails for both 1968 and 1969. p. 16465

4. CIVIL RIGHTS. Continued debate on H. R. 14765, the civil rights bill. pp. 16378-427, 14638-9
5. FARM PRICES; WHEAT. Rep. Andrews, N. Dak., criticized the "recurring tendency of the administration to blame farmers for inflation" and inserted an article which states that farmers are not responsible for recent bread-price increases. p. 16428
6. WATERSHEDS. Rep. Baring commended the small watershed program and soil conservation district leaders in Nev. p. 16457
7. FISH PROTEIN. Rep. Keith questioned the Food and Drug Administration decision to withhold approval of fish protein concentrate pending additional information. p. 16438
8. RECREATION. Rep. Clausen spoke in favor of increased authorization for the Point Reyes National Seashore and inserted testimony on this and other Land and Water Conservation Fund projects. pp. 16447-51
9. INFLATION. Rep. Ullman stated that the economy is under threat of both inflation and recession and urged Presidential action "to coordinate the use of the various tools which will restore balanced growth to the economy." p. 16456

SENATE

10. CLEAN WATER. Conferees were appointed on S. 3034, to authorize feasibility studies of certain potential Federal reclamation projects in the 17 Western States. House conferees have not yet been appointed. pp. 16563-65
11. FOREIGN AID. Sen. Williams, N. J., commended and inserted a speech by AID Administrator Bell on the goals and results of our foreign aid program. pp. 16525-7
12. APPROPRIATIONS. The legislative appropriation bill, H. R. 15456, was made the unfinished business. p. 16579
13. HOUSING; TRANSPORTATION. The "Daily Digest" states that a subcommittee of the Banking and Currency Committee concluded consideration of several pending housing bills, "agreeing to recommend to the full committee the following three clean bills: (1) proposed Demonstration Cities and Metropolitan Development Act, (2) to amend the Urban Mass Transit Act of 1964, and (3) proposed Housing and Urban Development Act of 1966." p. D679
14. RECREATION. A subcommittee of the Interior and Insular Affairs Committee voted to report to the full committee "without recommendation" H. R. 7524, to provide for establishment of the Oregon Dunes National Seashore. p. D679



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HIGHLIGHTS: Both Houses agreed to conference report on agricultural appropriations bill. House committee voted to report bill to amend Federal Seed Act and cotton processors loans bill. Rep. Dague spoke in opposition to rural community development bill. Senate committee voted to report food for freedom bill. (continued on page 5)

HOUSE

1. AGRICULTURAL APPROPRIATION BILL. Both Houses agreed to the conference report on this bill, H. R. 14596. (pp. 19503-8, 19641-4). This bill will now be sent to the President. (See Digest No. 140 for table showing changes agreed upon.)
2. RECREATION. The Interior and Insular Affairs Committee reported with amendment S. 3510, to authorize the Secretary of the Interior to study the feasibility and desirability of the Connecticut River National Recreation Area (H. Rept. 1870). p. 19576

3. TRANSPORTATION. Received the conference report on S. 3700, the urban mass transportation bill (H. Rept. 1869). p. 19576
Began debate on H. R. 15963, to establish a Department of Transportation.
pp. 19509-33
4. SEED. The Agriculture Committee voted to report (but did not actually report) H. R. 15662, to amend the Federal Seed Act. p. D801
5. COTTON. The Agriculture Committee voted to report (but did not actually report) H. R. 16888, to provide assistance to first processors of cotton who have suffered substantial losses because of the economic impact of cotton programs of this Department. p. D801
6. DISASTER RELIEF. A subcommittee of the Public Works Committee approved for full committee consideration S. 1861, to provide additional assistance to areas suffering a major disaster. p. D802
7. PERSONNEL. The Ways and Means Committee reported H. R. 16774, to continue for a temporary period certain existing rules relating to the deductibility of accrued vacation pay (H. Rept. 1885). p. 19577
The House Administration Committee voted to report (but did not actually report) S. 1474, to create a bipartisan commission to study Federal laws limiting political activity by officers and employees of Government. p. D801
8. MILITARY CONSTRUCTION. Received the conference report on S. 3105, the military construction bill, which includes a provision to reimburse CCC for family housing (H. Rept. 1887). p. 19577
9. WORLD FARM CENTER. The Agriculture Committee voted to report (but did not actually report) H. Con. Res. 313, to endorse the concept of a World Farm Center. p. D801
10. WATER RESOURCES. Agreed to the conference report on S. 3034, to authorize the Interior Department to engage in studies of the feasibility of certain water resource development proposals. pp. 19508-9
11. WATERSHEDS. Received from the Agriculture Committee work plans for various watershed projects. pp. 19499-500
12. TRAFFIC SAFETY. Conferees were appointed on S. 3005, to establish motor vehicle safety standards. Senate conferees have already been appointed. p. 19508
13. POVERTY. Rep. Sikes criticized "the reckless spending under the poverty program." p. 19500
14. RURAL COMMUNITY DEVELOPMENT. Rep. Dague spoke in opposition to S. 2934, the rural community development districts bill. p. 19501
15. FOOD PRICES. Rep. Gerald R. Ford inserted an article which criticizes Secretary Freeman's statement to Democratic congressional candidates on food prices. p. 19557
16. VEHICLES. Received from the Comptroller General a report of potential reductions in cost of automotive travel by Federal employees where use of Government-owned vehicles is feasible; to Government Operations Committee. p. 19576

the House today is on legislation to authorize the Secretary of the Interior to engage in feasibility investigations under reclamation law on specifically identified potential water resource development projects. For all practical purposes, this legislation covers the entire feasibility investigations program of the Bureau of Reclamation. It is necessary because of a provision which the Congress placed in the Federal Water Project Recreation Act which was enacted last year. That provision requires that hereafter all feasibility studies conducted under reclamation law must be specifically authorized. Heretofore, the Secretary has had general authority to investigate and report on reclamation projects.

As passed by the House on July 18, 1966, this legislation included authority to complete feasibility studies on 144 projects of which 31 investigations would be new planning starts. With respect to the ongoing investigations program, the conference committee added one investigation not in the House-passed bill and deleted one project investigation that was in the House-passed bill. With respect to the new planning starts, the conference committee included three project investigations not in the House-passed bill and deleted seven project investigations that were in the House-passed bill. These actions by the conference committee were based upon careful examination of the status of planning on the affected projects.

The conference committee retained the House-approved provision which provides a time limit on the submission to Congress of feasibility reports after completion and requires the Secretary to furnish the legislative committees all of the information which is developed in connection with project investigations, including information on all of the alternatives studied, in order that the committees and the Congress may judge whether, considering all relevant factors, the best plan of development has been recommended.

The House-passed bill would have permitted feasibility studies on projects when the funds for such studies were advanced by non-Federal sources. The conference committee agreed upon the language in the Senate-passed bill which permits feasibility studies to be accelerated with donated funds, but such studies cannot be initiated without specific congressional authorization.

There was one new provision in the Senate-passed bill which was not in the bill considered by the House. This is a provision which amends the authorizing act of the third powerplant at Grand Coulee Dam. This provision was accepted by the conference committee with certain language changes.

The Grand Coulee Dam Act establishes a form of basin account for the Pacific Northwest and provides for financial assistance from the Federal Columbia River power system to reclamation projects in the Pacific Northwest that are hereafter authorized. The purpose of the proposed amendment is to specify the conditions under which such financial assistance may be given and to place

a limitation upon the amount. As adopted by the conference committee, the language provides that the financial assistance for reclamation projects, both existing, and future, will not cause increases in power rates of the Bonneville Power Administration, and it limits the amount of such assistance to an average of \$30 million annually in any period of 20 consecutive years. The conference committee determined that this amount would be adequate to meet the foreseeable needs for such assistance in the Northwest. The new language includes provisions for a periodic review of the adequacy of this amount authorized for irrigation assistance and for recommendation by the Secretary of any changes that may be needed.

Mr. Speaker, I urge the adoption of the conference report on S. 3034.

Mr. HOSMER. Mr. Speaker, will the gentleman yield?

Mr. ASPINALL. I yield to the gentleman from California.

Mr. HOSMER. Mr. Speaker, the language of the conference report is perhaps better written than that which was discarded. I concur with the gentleman's approval of the conference report.

(Mr. ASPINALL asked and was given permission to revise and extend his remarks.)

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

DEPARTMENT OF TRANSPORTATION ACT

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 935 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 935

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 15963) to establish a Department of Transportation, and for other purposes, and all points of order against said bill are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed four hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Government Operations, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from California [Mr. SMITH] pending which I yield myself such time as I may consume.

Mr. Speaker, those who listened to the reading of the rule will know that it provides for an open rule, that it waives points of order, and provides 4 hours of general debate for consideration of H.R. 15963, a bill to establish a Department of Transportation.

I suppose that all Members know that there has been some controversy over the bill itself, the Department of Transportation bill, but nobody has sought time from me on this side, so I will assume that there is little controversy on the rule, and reserve the balance of my time.

Mr. HALL. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. Mr. Speaker, I am glad to yield to the gentleman from Missouri.

Mr. HALL. Mr. Speaker, I appreciate my colleague yielding.

I am sure he knows I want to ask my usual question: Why is there a waiver of points of order? Was it asked for by the chairman, or did the committee in its wisdom put it in?

Mr. BOLLING. Mr. Speaker, I will reply to the gentleman from Missouri by saying that it was requested by the gentleman from California, the manager handling the bill. This consolidates in one department a number of other agencies and functions which are transferred to the Department. Naturally, the funds are too. So for all practical purposes there are a number of reappropriations in the bill. The only way they can be protected would be by having a waiver of points of order. I believe the Committee on Rules agreed with that unanimously. That is the reason the rule so provides.

Mr. HALL. Mr. Speaker, putting it into a nutshell, it makes germane appropriation changes within an authorization bill submitted by a legislative committee.

Mr. BOLLING. It makes in order those appropriations.

Mr. HALL. I thank the gentleman.

Mr. BOLLING. Mr. Speaker, I yield to the gentleman from California.

Mr. SMITH of California. Mr. Speaker, I yield myself such time as I may consume.

(Mr. SMITH of California asked and was given permission to revise and extend his remarks.)

Mr. SMITH of California. Mr. Speaker, as stated by the distinguished gentleman from Missouri, H.R. 395 does make in order consideration of H.R. 15963, the Department of Transportation bill, with 4 hours of debate under an open rule, except that points of order are waived. It does provide for transfer of funds, and it is necessary to waive points of order for that reason.

The purpose of the bill is to establish a new Cabinet-level Department of Transportation, bringing together a number of Federal agencies and activities involving transportation promotion and safety, but not the economic regulation, which will remain with the appropriate regulatory agencies currently performing that job.

It is estimated that the new Department will employ 100,000 people and spend some \$6 billion in Federal funds presently expended annually on transportation.

There is no need to dwell on the tremendous population growth and movement which has occurred in the past 20 years, and will explode even more dramatically in the next 20 years. A few figures will suffice to state the case: by 1975 about 120 million vehicles may be

on American roads; domestic airline traffic may double by 1975; by 1975 intercity ton-miles of cargo and intercity passenger miles may reach 2,440 billion and 1,464 billion respectively, increases of 65 percent over current figures. It is clear that our transportation system will be greatly taxed to provide demanded service, demands which must be met.

A number of agencies, and some functions of other agencies will be transferred to the new Department. Chief among these are: First, the office of Under Secretary of Commerce for Transportation, along with its staff and programs; second, the Bureau of Public Roads and the Federal highway program it administers; third, the Federal Aviation Agency, with its functions in safety, development, and subsidy programs; fourth, the Coast Guard with its activities relating to transportation and marine safety; fifth, the Maritime Administration with its construction and operating subsidy programs; sixth, the functions of the CAB to determine probable causes of aircraft accidents and its appellate functions related to safety certificates and licenses are transferred to the National Transportation Safety Board created by the bill. The CAB's function in accident investigation are transferred to the Secretary of the Department of Transportation and will be delegated to the Office of Accident Investigation, also created by the bill; seventh, the safety functions of the Interstate Commerce Commission, primarily the inspection and enforcement of safety regulations for railroads, motor carriers and pipelines.

In addition to the transfer of these agency functions to the proposed Department, other chief features of the bill include:

First, the exclusion of the transportation resources of the DOD from the new Department. Nor will the administration of the Panama Canal come into the Department—it will remain with the Army.

Second, there is created a National Transportation Safety Board within the Department. Its purpose is to determine and report the cause or probable cause of transportation accidents, and to review on appeal the orders of the Secretary in amending, suspending, or revoking any certificate or license issued by the Secretary. It is authorized to conduct studies relating to safety. The Board will be comprised of five members, appointed by the President with Senate confirmation. It will have its own budget and staff, but be within the Department.

Third, an Office of Accident Investigation is created in the Department to investigate aircraft accidents, independent of the FAA—transferred into the new Department—and using the former CAB investigative personnel.

The Secretary of Transportation is given the authority to set standards and criteria to be used in determining where Federal funds will be invested in transportation facilities or equipment. Currently this authority is diffused among several agencies, each concerned with a particular area in which it has expertise. The Water Resources Council's area of

authority is exempted from this section; all others are included. The bill provides that the Secretary cannot promulgate standards or criteria contrary to existing law.

A number of additional views are presented. The gentleman from New York [Mr. ROSENTHAL] supports the bill but wants a stronger attack on transportation noise, particularly with respect to aircraft.

Members DWYER, REID of New York, HORTON, RUMSFELD, ERLBORN, and WYDLER support the bill. They point to facts and projections indicating current and rising problems, and believe that Federal coordination is indicated. They do feel that in several areas the proposed Department is not adequate to its projected role, particularly in removing economic regulation from its authority. Mass transportation is also left out. They point out that for all the talk of an independent Safety Board, it is not so in fact; its appropriations will be controlled by the Department, and it has no authority to conduct its own accident investigations. It independently will only determine probable cause. These Members also believe that air accident investigations should remain with CAB, or be transferred to the Safety Board rather than to the Office of Accident Investigation to maintain fuller independence from other aircraft controls transferred into the Department.

Finally, these Members question section 7 of the bill which provides for the Secretary of Transportation to set standards and criteria for the investment of Federal funds on transportation facilities and equipment.

Members CALLAWAY and DOLE oppose the bill as reported, though they believe the concept to be sound. They cite the present lack of coordination among the present modes of transportation, but they believe the Department will not solve the problems, because authority is fractured, some taken into the Department, some not.

They do not believe that the problems of our merchant marine will be solved by moving the Maritime Administration from Commerce to Transportation; what is needed is for the Executive to see the problem and follow the urging of Congress to request appropriations.

They point to the current success of the aviation industry under its present CAB, FAA control and see no reason to change, pointing to the problems of the railroads operating under ICC control.

They believe that safety and accident investigation and prevention, particularly with respect to airlines will suffer under the bill as independence is lost, and one Department will, in effect, be investigating its own safety regulations. They note that the National Transportation Safety Board does not even have authority to conduct investigations, but merely determining probable cause; it is the Secretary who is actually charged with responsibility to conduct the investigations.

They strongly oppose section 7, on much the same basis as do other members, that is, too vague a grant of power to the Secretary, with the clear possibility that he may, by the use of Federal

funds, indirectly set Government policy in transportation.

Members BROWN and DICKINSON oppose the bill on these four points: First, section 7 abrogates congressional control of Federal investment in the fields of transportation; second, most modes of transportation have prospered without Federal coordination; third, urban mass transport is not even included in the bill; fourth, the independence of accident investigation is destroyed with the bill which will provide that the Department investigate itself—a very unlikely situation. They do believe a bill could be prepared to remove these problems and be a positive good for the industry.

Mr. EDWARDS, recently appointed to the committee, and a member of the Merchant Marine and Fisheries Committee, confines his views to the merchant marine problems. He points to our falling tonnage, our old ships, and our growing needs. Merely moving the agency to a new department is not the solution. Money for ships, which the administration has continually refused, is the answer.

I believe our big problem today, as I understand it, will be on the merchant marine situation. There may be other amendments offered, but at the time the Committee on Rules heard this particular bill, the Committee on Merchant Marine and Fisheries was considering a bill related to this. They have had this problem for a long period of time, as to the future of the merchant marine. Many of the members who testified, from the Committee on Merchant Marine and Fisheries, stated that in their opinions the Maritime Administration has been more or less a stepchild within the Department of Commerce for many years, and that we are far behind on needed ships, possibly 100 ships or more. They requested that we try to hold up a rule on this bill until they could finish their hearings, and possibly make their bill, as they reported it, the one in order.

That did not seem to be what we could do at that time, because there was not any bill before us, so a rule was granted.

Subsequent thereto, a rule also was granted on H.R. 11696, which will remove the Maritime Administration from this particular bill and set it up as a separate agency. That will present some problems here today, Mr. Speaker.

As I understand it, the proponents of that position—which I personally support—will make a motion or offer an amendment to strike that part from this bill which deals with the Maritime Administration, so that subsequently that can be considered in a separate bill. I know that those who are completely in support of this bill will not agree with me, but some feel if it is not done at this particular time we may never get an opportunity to do it later on.

I want to bring that to the attention of the House, because this is where the tough vote is going to come today.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. SMITH of California. I yield to the gentleman from Iowa.

Mr. GROSS. Does the gentleman anticipate that with the passage of this bill there would be an abolishment of

existing agencies of one kind and another, or would they still exist?

Mr. SMITH of California. The agencies which are in existence, as I understand it, going right down the line—the Bureau of Public Roads, the highway program, the Federal Aviation Agency, the Coast Guard, the Maritime Administration, and so forth—all would be transferred into this new Department of Transportation, at the Secretary level.

Mr. GROSS. If the gentleman will yield further, that is just the trouble. I went through the business of establishing the Defense Department. We were told by any number of Members of the House at that time—some of whom are still here—of the economy which would be obtained through the creation of the Defense Department. None of the various departments which existed previously was abolished. All were simply brought in, lock, stock and barrel, and on top was a layer of “fat” created, known as the Department of Defense.

We were supposed to have common catalog purchasing and free exchange of information, but nothing happened. Today we do not have a common purchasing catalog worthy of the name in the Department of Defense. Recently—only a few weeks ago, I believe—they needed certain calibers of ammunition in Vietnam. Instead of picking up the telephone and calling the other departments that use ammunition, such as the Navy and the Marine Corps, no one bothered to do that, but instead they went out and ordered it, when there was surplus to the use of the Marine Corps millions of dollars worth of this ammunition. It is incredible that a situation like that can exist in the Department of Defense, but we got nothing except an added layer of fat in the Department of Defense plus a huge payroll. If this is what we are out to do here, I want no part of it.

Mr. SMITH of California. Mr. Speaker, I will say in reply to the gentleman that I really do not see the connection between what I read in the report and the testimony here. I do not think we are trying to do away with any of these departments.

Mr. GROSS. Why not do away with them if you are putting it all in one department?

Mr. SMITH of California. I am trying to answer the gentleman's question as long as he brought it in on this particular bill, if he will just let me do so.

The report shows that there is a tremendous population growth and that this growth will continue. Probably in the next 20 years we may have a tremendously larger number of people and vehicles. The report and the testimony show that the argument is in order to handle this large growth we should have a Department of Transportation with a Secretary who can run it. I see nothing there about doing away with any agencies or any savings, and I do not think there will be any savings.

Mr. GROSS. Does not the gentleman think that there should be abolished some of the agencies presently existing? If an argument for the creation of this brandnew Department of the Government is to provide for more efficiency,

with less overlapping and so on and so forth, then why should not some of these agencies presently existing be abolished?

Mr. SMITH of California. I cannot answer the gentleman.

Mr. CLARENCE J. BROWN, JR. Mr. Speaker, will the gentleman yield?

Mr. SMITH of California. Yes. I yield to the gentleman.

Mr. CLARENCE J. BROWN, JR. There is a subtlety involved in this particular piece of legislation in that the responsibilities, duties, and powers of the FAA and the Bureau of Public Roads and a portion of the Interstate Commerce Commission are transferred, but those agencies as such are not going to be moved to the new Department of Transportation intact. The Secretary of the Department of Transportation under this legislation is given complete power to reorganize those agencies as he sees fit, so that the Bureau of Public Roads and the FAA will only be recognizable if the Secretary of the Department of Transportation wants them to be recognizable.

Mr. SMITH of California. Mr. Speaker, I thank the gentleman, and I have no further requests for time and know of no objection to the rule.

Mr. BOLLING. Mr. Speaker, I move the previous question.

The resolution was agreed to.

Mr. HOLIFIELD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 15963) to establish a Department of Transportation, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 15963, with Mr. PRICE in the chair.

IN THE COMMITTEE OF THE WHOLE

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from California [Mr. HOLIFIELD] will be recognized for 2 hours and the gentleman from Illinois [Mr. ERLBORN] will be recognized for 2 hours.

The Chair recognizes the gentleman from California [Mr. HOLIFIELD].

Mr. HOLIFIELD. Mr. Chairman, I yield myself to 10 minutes.

(Mr. HOLIFIELD asked and was given permission to revise and extend his remarks.)

Mr. HOLIFIELD. Mr. Chairman, H.R. 15963 would establish a new Department of Transportation, making the 12th department of Cabinet rank in the executive branch of the Government.

Mr. Chairman, it would bring together major Federal agencies and programs relating to transportation, promotion and safety, but not economic regulation which remains with the regulatory bodies.

Mr. Chairman, as the members of the Committee of the Whole House on the State of the Union know, President Johnson sent his transportation message to the Congress on March 2, 1966,

strongly recommending the creation of a Department of Transportation. His message highlighted the urgent contemporary problems which exist in the transportation field and emphasized the pressing need for a solution.

Mr. Chairman, in the year 1842 the great English poet Tennyson in his poem “Locksley Hall” said:

For I dipt into the future, far as human eye
could see,
Saw the Vision of the World, and all the
wonder that would be;
Saw the heavens fill with commerce, argosies
of magic sails,
Pilots of the purple twilight, dropping down
with costly bales;
Heard the heavens fill with shouting, and
there rain'd a ghastly dew
From the nations' airy navies grappling in
the central blue.

Mr. Chairman, that was in 1842. This is the year 1966. This present-day generation is called upon to look into the future.

Mr. Chairman, we have pending before us today a bill that seeks to set up an organization, a Government organization, which will take care of the problems of transportation in the future.

Mr. Chairman, we have in this country 195 million people. It is estimated by Government students on population trends and growth that by the year 2000 we will have 362 million people. We will have to double our transportation facilities; yes, possibly treble them, because as we live in a more affluent society, there will be a constantly increasing trend of population and, therefore, the utilization of transportation.

Mr. Chairman, we are going to have to move the goods, the manufactured goods, the food, the products of the field and factory from place to place within the United States and throughout the world.

Mr. Chairman, our transportation system has grown up helter-skelter, without any plan for coordination, without any plan as to efficiency of operation.

Mr. Chairman, some of our transportation modes have become obsolete, others have forged ahead.

Mr. Chairman, I am not going to attempt to analyze this bill which is pending before us today. I have placed in the RECORD of August 22, 1966, which is under the seats of the Members, an analysis of the bill. That analysis begins on page 19296. Therefore, I am not going to drone on for 25 or 30 minutes upon the analysis of this bill.

The 4 hours of debate in my opinion will give us an adequate time to consider the different sections of the bill.

I want you to know that this new Department will rank fifth among the 12 Cabinet-level departments in Federal funding—fifth. It will rank fourth in employment used by transportation services, 14 percent of the Nation's work force.

So we are talking about a not unimportant department, but we are talking about the fourth and fifth among our most important departments in our 12 departments of Government when this is established.

We are talking in terms of gross national product of about 14 percent of our gross national product of 700-some-odd

billion dollars. That is what we are talking about.

We are following out the principle of the Hoover Commission. I was a member of the second Hoover Commission and I handled some 50-odd reorganization bills as chairman of the Subcommittee on Reorganization during those years.

We are talking about in this instance the bringing together in one new Cabinet-level department the major scattered instruments of transportation located throughout the Government.

If you will look at the chart to my right, you will see the modes of transportation on the bottom line.

We are setting up a Federal Railroad Administration.

We are setting up a Federal Highway Administration.

Those are the two basic transportation modes at the present time in terms of tonnage and people.

We are transferring over into this Department a Federal Maritime Administration which has gone through a number of changes. In 1950 I handled the Reorganization Plan No. 21. It has had another Reorganization Plan No. 7 in 1961. It has been an independent agency. It is now in the Department of Commerce. It is in a subordinate position in the Department of Commerce because the Department of Commerce is concerned with many subjects, many fields of jurisdictional duty and implementation. But in this Department there will only be one objective, there will only be one subject matter. That subject matter will be the one problem, the great problem of transportation.

So in moving the Maritime Administration from its present subordinate position in a department with many unrelated subject matters, we are upgrading it by putting in a department with only one interest, the interest of transportation. We are putting it on the same level as aviation. The same level as railroads. The same level as highway administration.

To those Members who have had a chance to read my remarks, they will find reference to subsidies. I think if they will read the latter part of my remarks they will find that I said that since World War II the Federal Government has funded to the tune of about \$3 billion maritime transportation. But they will also find that I refer to other subsidies to other transportation modes far greater than the maritime subsidies.

I say that he who wants to point the finger of charging subsidies to the Maritime Administration should look also to the subsidies we have given to the railroads in free right-of-ways in the early days, in giving them every other section of land—land containing in many instances mines, coal fields, and oil fields. We have given the railroads attractive tariff rates through our regulatory bodies.

I would not know how to compute the hundreds of millions and possibly billions of dollars that we have used to subsidize the railroads.

Let us get to the Federal highway system. We have a program now which this Congress is supporting of approximately

\$50 billion over the period of the next 10 years to finance the highways for the benefit of the private automobile owners and for the benefit of the huge commercial trucking industry.

Let us consider, then, that in the present program of highway financing we have about a \$50 billion cost tag.

Let us move to aviation—

Mr. FALLON. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Maryland.

Mr. FALLON. I hope I misunderstood the gentleman when he said that we were subsidizing the highway construction industry.

Mr. HOLIFIELD. I will complete that thought for the gentleman. Of course, we have taxes that pay back into the fund. We have taxes that pay back into all the different modes of transportation. But in the obligation of Federal funds at low-interest rates for these programs there is an element of subsidy. Now, I am not fighting the subsidies.

Mr. FALLON. There is no subsidy in the highway construction program. There is no borrowing of money. We have the use taxes to build these highways; so the people who use them are paying for them now and even highways that have not yet been built. They are already paid for. But there is no subsidy on the part of the Federal Government because the people are paying their way in this field.

Mr. HOLIFIELD. If the gentleman wants to say that the taxes that the people are paying in for these highways is not a public subsidy, that is all right with me. I will not argue the point.

Mr. FALLON. A public subsidy but not a Federal subsidy.

Mr. HOLIFIELD. I am talking about subsidies. The same thing is true of your airplane tickets. You pay a tax on the airplane tickets you buy, and that goes back into the operation of the FAA. The expenses of that Agency are running about \$750 million a year and about \$200 million is being paid back in the form of taxes raised in various ways. But with Federal funds we are building airways and airports, and we are operating with about 40,000 people the aviation facilities in our towers, our weather bureaus, and other facilities that contribute directly to that industry.

So I am not using the term "subsidy" to run down the Maritime Administration. I want that to be made very clear. I am trying to put it in perspective because some people say that we should not have a Maritime Administration, and I do not say that, as anyone can see in my remarks. I say that we should have.

Now, there will be a move made to strike out the Maritime Administration from this bill, I am told. No one can foresee the future. If this occurs, I want the Members of this House to think about it very seriously. Will they obtain a dynamic, viable maritime program by withdrawing themselves from the mainstream of transportation attention, and getting off to one side and playing solitaire in the backroom, or if they allow themselves to be put into this Department of Transportation—and that is

where the chips are—they might be able to sit in and get a few more chips from that game.

This is a matter of judgment for the House. I am not going to complain with anyone as to how they vote on this issue. I am not going to bleed on this subject. If after considering the arguments that will be put forth the majority of the Members want to vote to strike it out, that is within their power, and as the servant of the House, of course, I will abide by the result.

Needless to say, I will oppose the effort because I honestly and sincerely believe that the time has come when we need research and development in every form of transportation—yes, paid for with Government funds. I am not against that, because it is for the benefit of the people of this Nation to move their bodies and to move their goods. But I am going to ask the Members of this House to consider whether they believe they will get more attention with a Secretary of Cabinet-level rank to plead their case before the various committees of Congress and the President or would they get more attention with a low-level administrator of a relatively small independent agency.

That is the problem we have to face. I know the pressures we have been under. I have had a little of it myself. I have some big ports in California handling about 75 million tons out of those ports. I believe Los Angeles ranks maybe third or fourth within the Nation. It is within eight miles of the edge of my district. But we stand in the light of history. We have to make the decision as to what is best for this Nation in terms of the overwhelming problems that we are going to face tomorrow.

In the July Fortune magazine, there is a great and interesting article on transportation, with a picture of a modern train. The article states that we can have right now, with the technology we have, 125-mile-an-hour trains. It tells a lot of things. It tells how we can move, on a highway that costs \$6 million a mile, 7,500 people an hour, and how we can move on a high-speed train 45,000 people per hour.

It tells a lot of things—things that need to be done, things that the Secretary of this Department is charged with considering under the purpose of the bill, which is to develop an overall national policy of transportation. Get the declaration of purpose of the bill and read it.

It is up to the Secretary to do research and develop an improved, safe, efficient national policy and to come to the Congress with recommendations.

Here I want to make a final, and I believe important, point. When H.R. 13200 was brought up to our Committee on Government Operations I looked at the bill, which was sent up by the Administration, and I said "This bill is not a good bill. It cannot be passed in the House of Representatives, and it should not be passed as it is." My committee worked hard. The gentleman from Illinois [Mr. ERLBORN], and others on his staff and on my staff worked hard. We rewrote the bill, and we bring it for consideration of the Members as a rewritten, clean bill.

What were the principles we worked under? We worked under these principles. We proposed to transfer over into this department the four modes of transportation, but we are going to respect the statutory responsibilities and duties which have already been enacted by the Congress.

We are going to respect the Interstate and Foreign Commerce Committee. We are not going to allow in this bill changes in statutory duties and responsibilities which they have enacted in that committee.

We did the same thing on Public Works. We said that the new Department Secretary cannot touch the highway fund. If anyone wants to touch the highway fund, the Secretary will have to go before the gentleman from Maryland's [Mr. FALLON] committee, and tell him why he wants to touch it. The gentleman from Maryland [Mr. FALLON] and his committee can then work on that problem, and they can approve it or disapprove it, and refer whatever they want to do to the Congress, because it has to be done from a statutory standpoint.

We did the same thing in the merchant marine field. We said that we cannot change the functions which pertain to the Merchant Marine Committee without going to the Merchant Marine Committee.

We did this with the Post Office and Civil Service. My staff conferred with the staff of the Post Office and Civil Service Committee, and we worked out a number of places where the bill would have changed laws pertaining to the classification and hiring of personnel.

The gentleman from North Carolina [Mr. HENDERSON] will offer a final amendment. We have made changes at his suggestion, and the suggestion of his staff, and we worked out even as late as today a final amendment which will make sure that the dual compensation law, which is a prerogative of the House Committee on Post Office and Civil Service, will be followed in this bill.

So we have said in this bill that we are not going to encroach upon the powers of the President, and we are not going to let the President encroach upon the powers of the Congress. We are going to keep it as it is, and if they want to change the statutory responsibilities which have been enacted over the years, let them go to the respective committees and get them changed.

Could anything be more fair than that?

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Texas.

Mr. WRIGHT. I want to congratulate the distinguished gentleman from California, the manager of this bill, not only upon the statement he is making but also upon the long, long weeks of painful, arduous, and careful study he has devoted to this problem. There has been careful, painful, arduous study devoted by the committee, and specifically by the manager of the bill, to a detailed analysis and study of each one of the functions

proposed to be encompassed in this new Department.

I am convinced that to the extent it has been humanly possible for the legislative mind and craftsmanship so to devise the gentleman from California, through his leadership, and his committee which met and studied this with him, have carefully preserved the integrity of each of the functions, so that no function benefits at the expense of another and so that no function of transportation is unduly harmed.

I believe he has preserved a balance of powers which had existed in the statutes between the executive and legislative branches. I know he has been extremely careful to preserve the integrity of the Congress. He has given to the administration no power it did not already possess, and has taken from the administration no power it possessed. He has taken from no committee any right or jurisdiction it possessed, and he has given to no other committee a right or power that would act to the detriment of any other committee of the House. Above all, he has preserved inviolate the integrity of the Congress and its right to review in the same manner it has reviewed in the past each of these various programs.

I should like for the House to realize the long, hard, careful hours of detailed study and analysis that went into the preservation of this careful and delicate balance which the gentleman from California has brought to us today.

Mr. HOLIFIELD. I thank the gentleman for his kind remarks. The gentleman knows that we worked with the gentleman from Texas, with the gentleman from Alabama [Mr. JONES], and the staff of the Public Works Committee to very carefully take everything out of the original bill that interfered in any way with his committee. Our committee has worked hard and done a good job. It is up to the Membership of the House whether we are to move forward into the future or to look back toward the past.

Mr. CUNNINGHAM. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Nebraska.

Mr. CUNNINGHAM. Last week we passed two bills having to do with auto safety. It is my understanding that this new department will have jurisdiction over traffic safety in its general sense; is that correct?

Mr. HOLIFIELD. It would be my thought that when the Highway Administration is set up, all existing statutes on that point—and I believe the bills were drawn with at least the knowledge in mind that this legislation was in process—would go into this, and all these elements of safety on our automotive transportation system would be placed in this Department.

That would be at the lower level, at the operating everyday level. It would probably be in the same hands it is now in.

In the field of the National Transportation Safety Board, which is a planning and recommending field, they would look at highway, railroad, aviation, and ship-

ping problems with the idea in mind of suggesting improvements but not implementing them. They would have to come to the Congress if they wished to do anything other than the statutes on those subjects which we have already enacted provided.

Mr. CUNNINGHAM. I appreciate that. In respect to the two bills we passed last week, one established within the Department of Commerce a Safety Advisory Board or Commission. I do not have the correct wording in front of me, but it is a committee to advise the Secretary. The other bill, which came from the Committee on Public Works, established a similar type of board, only to be appointed by the President subject to the advice and consent of the Senate.

These are two conflicting committees or boards, in my opinion. Would this legislation perhaps draw those together, so that there would not be a conflict of the two boards?

Mr. HOLIFIELD. I would think it would. Of course, we cannot in legislating for the future try to correct, and I tried not to correct, statutory provisions whether they were in harmony or in conflict. This would be part of the job of the Secretary of Transportation, that is, he should come before the proper committees and first work out a solution if there is a conflict and then come before the jurisdictional legislative committees for such changes as might be necessary that he might need over and above the existing statutory provisions given to him by simple transfer.

Mr. CUNNINGHAM. I thank the gentleman.

Mr. ERLÉNORN. Mr. Chairman, I yield myself 10 minutes.

(Mr. ERLÉNORN asked and was given permission to revise and extend his remarks.)

Mr. ERLÉNORN. Mr. Chairman, I think it is undeniable that it is an historic occasion when we consider the creation of a new executive-level department. As has been pointed out by the gentleman from California [Mr. HOLIFIELD], this would be the 12th such executive Cabinet Department, if this bill is successful and the Department of Transportation is created. It is also interesting to note that several of the existing departments were created in this century, one of them just last year, in this particular 89th Congress. Last year when we considered the creation of the Department of Housing and Urban Development I took the floor to oppose that bill. Presently in our subcommittee we are considering the creation of a Department of Consumers, and I oppose that bill. However, I take the floor today in support of the creation of the Department of Transportation. Now, there has to be some reason to take this divergent view in opposing the creation of two departments and supporting the creation of a third. I think it is important that we know we must have some pragmatic test against which to test the proposal to create a new Cabinet-level department. I think that test should be, Is there a sufficient body of Federal law, and is there a sufficient amount of Federal activity in this field to warrant the

organizational structure to be developed for this particular activity? Now, the Department of HUD, as we pointed out last year, did nothing but take the Housing and Home Finance Agency and raise this to Cabinet level. It did not, as the sponsors so often said, bring together diverse activities of the Federal Government and put them under one roof so that we would have a better administration of our Federal laws. The same is true of the proposed Department of Consumers. It does not bring diverse Federal activities together and put them under one roof for proper administrative purposes. Here in this proposal, though, to create a Department of Transportation, we do meet the test of bringing together diverse Federal activities in the field of transportation, and we put them together in one Cabinet-level Department so that we can have the proper administration of these interrelated and presently fragmented Federal activities relating to the transportation industry. Just as one example of the fact that there is a sufficient level of Federal activity in this field is the fact that the proposed Department would have immediately, just from the agencies now existing which it would bring into the Department, 100,000 employees and an annual budget in the various activities of some \$6 billion. I think this alone is ample evidence of the fact that there are sufficient Federal activities and Federal programs in the field of transportation so that they should be coordinated.

Now, some of the background as to the importance of transportation itself. At the present time some 20 percent of our gross national product each year consists of outlays for transportation services. At the present time we have a population of some 200 million people, and by the end of this century it is anticipated that population may be doubled, which will increase at least twofold the demands for the movement of goods and people.

Mr. Chairman, in 1946 there were 1.5 million miles of paved roads in this country. Today there are 3.25 million miles of paved roads and we have not as yet satisfied the demand.

Mr. Chairman, over the past century we have seen the evolution of the railroad industry from a transportation monopoly which needed to be closely regulated so that the public interest could be protected. It is a business that is in great difficulty because it is in keen competition with other modes of transportation.

Mr. Chairman, in this century we have seen the invention of the airplane, we have seen the instigation of air travel, we have seen the progress through a Federal subsidy, to the point where now no major air carrier is any longer in need of subsidy, but in fact they are very healthy and in some cases wealthy enterprises.

So, Mr. Chairman, there has been a tremendous increase in the demand for transportation, a tremendous increase in Federal involvement in the field of transportation in the last 50 or 60 years.

A Department of Transportation was first proposed in the late 1800's. Today, I believe, we have reached the time in history when the creation of a Department

of Transportation, if it is not overdue, is certainly due.

Mr. Chairman, let us look at a few of these things which have brought this picture into focus and which have caused a proliferation of agencies and commissions that have been created and which have attempted to put the imprint of the Federal Government upon the field of transportation.

Mr. Chairman, we have the Civil Aeronautics Board, we have the Federal Aviation Administration, we have the Interstate Commerce Commission, we have the Bureau of Public Roads, we have the Maritime Administration and the Maritime Commission, we have the Assistant Secretary of Commerce for Transportation. This is just to name a few.

Now, Mr. Chairman, this particular bill will not bring together all Federal activities in the field of transportation. I do not want anyone to be misled into thinking that this is a cure-all; and probably it is not.

Mr. Chairman, when we look at the interest of the Federal Government in transportation we find that it has a twofold aspect. First of all is economic regulation and this function is served by independent commissions primarily such as the Interstate Commerce Commission, the Civil Aeronautics Board, and like commissions; the Federal Maritime Commission, for instance, and designedly, these commissions were created as independent commissions and not as a part of the role or normal operation of the executive branch of our Government, because they exercise economic regulation, they exercise a quasi-legislative, a quasi-judicial function.

On the other hand, Mr. Chairman, the Federal Government's activity having to do with planning, research, promotion, safety regulations, and noneconomic regulations, is within the normal operations of the executive branch of the Government, agencies, and Cabinet-level departments. A part of this is lodged in the Department of Commerce and so forth.

Mr. Chairman, we do not propose in this bill to affect the economic regulatory functions of the independent commissions, and I do not believe we should ever do so. I do not believe we should give to any administration, whether it be Democrat or Republican, the power to set, through the executive branch of our Government, the policy for economic regulation. Therefore, properly, the Interstate Commerce Commission in its economic regulatory functions is left out of the bill, the Federal Maritime Commission is left out of the bill, and the regulatory functions of the Civil Aeronautics Board are left out of the bill.

Mr. Chairman, the hearings on this bill were extensive and lasted over a period of several months.

Mr. Chairman, I want to congratulate the gentleman from California [Mr. HOLIFIELD] for his patience in hearing all of these witnesses and in scheduling the hearings day after day. Many pages of hearings were filled with the testimony of the people who would be affected, the people representing the various modes of

transportation who would be affected by the creation of this bill.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. ERLÉNBOEN. I yield to the gentleman from California.

Mr. HOLIFIELD. Mr. Chairman, I want to thank the gentleman for those remarks and I want to pay tribute to the gentleman from Illinois who is one of the hardest working Congressmen I have worked with. We have worked together in the committee. In many instances we came to agreement. He made many valuable suggestions. There were a few areas in which we did not agree but we did not disagree disagreeably, as the gentleman will tell you.

I want to pay tribute to the gentleman and his colleagues on his side, but particularly the gentleman who was there every minute of the hearings and worked just as hard as any of the Members of this House.

Mr. ERLÉNBOEN. I thank the gentleman.

Mr. Chairman, as a result of the hearings, I discovered—and the other members of the committee discovered that generally speaking the representatives of industry and labor alike in the field of transportation did support the concept of the creation of a Department of Transportation.

I think the original testimony developed from the representatives of the various modes of transportation—the airlines, the highway truckers and the railroad industry, had a rather similar ring to it. That was that they did like the concept of a Department of Transportation, but—and then usually they would have some exceptions that would almost in effect have taken them out of the Department of Transportation.

Mr. Chairman, I think the action of the subcommittee in amending the bill in providing for separate administrations to represent the modal interests, satisfied most of the demands of industry for amendments to the bill to see that their interests were separately represented by the Maritime Administration, the Highway Administration, the Aviation Administration and so on.

One of the sections which came under the most criticism was section 7. Some amendment was made to section 7. Some of those who opposed section 7 were appeased when exceptions were added to this section to make the particular activities they were interested in exempted from the Secretary's control to establish standards and criteria, so some people were satisfied with those amendments.

The committee also improved the bill by beefing up the powers of the National Transportation Safety Board.

In the administration bill when first introduced, this was nothing more than a hollow shell. So these improvements were made. But I do not want to leave the impression with anyone that I think the bill is as yet perfect. Although I support the bill, I think there are some serious defects.

Mr. DON H. CLAUSEN. Mr. Chairman, will the gentleman yield?

Mr. ERLÉNBOEN. I yield to the gentleman.

Mr. DON H. CLAUSEN. Mr. Chairman, I have had correspondence with a number of people, because of my interest in aviation in regard to the desirability of leaving the Federal Aviation Agency out of the so-called Department of Transportation.

I wonder if the gentleman could advise the Committee, and myself in particular, as to the reasons for the action in rejecting this request. I understand the request was made that the Federal Aviation Agency remain as an independent Agency but it was included for reasons that you apparently have decided to be in the best interests of anyone.

I wonder if the gentleman could elaborate on this for the purpose of the RECORD?

Mr. ERLENBORN. I would be happy to.

Mr. Chairman, in the field of Federal activity in the aviation industry, it may be somewhat unique in that we have two separate agencies—the FAA and the CAB, both of them quasi-independent agencies, presidentially appointed and confirmed by the Senate.

The FAA has as its principal function the regulation of air traffic, the operation of air traffic controls. The CAB has as its principal function the economic regulation of the air transportation industry.

The rationale in putting the FAA into this Department is that in these non-economic regulatory functions, such as the promotion of the industry and the conduct and control of the airways, this properly belonged in the executive branch of the Government in this new Department.

But the economic regulatory functions of the Civil Aeronautics Board did not belong in a new Department but should remain an independent Board such as the ICC is for the railway industry.

Mr. DON H. CLAUSEN. You do not feel that their function will be diminished by, as someone has described it, being swallowed up in this overall Department and therefore will not be able to be responsive to the changing needs in the aviation fields?

Mr. ERLENBORN. No, I do not think they will. I think they are properly in this new Department, which will have an overall view of transportation.

I should mention one other thing. Though we are not transferring the CAB into this Department, we are taking the safety function of the CAB, the accident-investigating function. We are placing it in the new Department. This is one of the defects in the bill. Only a few short years ago this Congress, in its wisdom, separated the accident-investigating function and put it in the CAB and made it separate from the function of the FAA in conducting traffic in the airways, so that we now have the CAB as an independent body, including the investigating activities of the FAA.

This bill as it now stands would merge these two functions and would put us back to where we were 10 years ago, and we would have the anomaly of the Secretary of the Department of Transportation having the accident-investigating function and, on the other hand, having the FAA activity, so that in effect he

would be investigating himself. This is one of the amendments I hope will be adopted to separate out this function. I will offer such an amendment.

Mr. CLARENCE J. BROWN, JR. Mr. Chairman, will the gentleman yield?

Mr. ERLENBORN. I yield to the gentleman from Ohio.

Mr. CLARENCE J. BROWN, JR. I think it should be made clear that only the functions, duties, and responsibilities of the FAA are transferred to the Department of Transportation, but FAA is not transferred not as an organizational entity into the new Department. In other words, the Secretary of the Department of Transportation would have the opportunity to set up any kind of organization he wants under the new Federal Aviation Administration.

Mr. DON H. CLAUSEN. Mr. Chairman, will the gentleman yield?

Mr. ERLENBORN. I yield to the gentleman from California.

Mr. DON H. CLAUSEN. Then you are satisfied that the function of the FAA will not be jeopardized in any way?

Mr. CLARENCE J. BROWN, JR. I am satisfied that the function of the FAA will be moved into the new Department. I am not satisfied that it will not be jeopardized.

Mr. McCCLORY. Mr. Chairman, will the gentleman yield?

Mr. ERLENBORN. I yield to the gentleman from Illinois.

Mr. McCCLORY. I commend the gentleman for his expert exposition of this legislation. I also wish to congratulate the gentleman from California, the chairman of the subcommittee, and the gentleman from Illinois on producing this important legislation. I happen to come, as does the gentleman in the well, from a metropolitan area, northeastern Illinois. I am particularly interested in the subject of urban mass transportation. I would like to inquire as to whether or not this subject is included within this legislation, and whether the function of promoting and improving urban mass transportation is going to come under the jurisdiction of the Department of Transportation.

Mr. ERLENBORN. I am happy the gentleman asked that question because it brings me to the closing part of my remarks. This is again one of the defects that is presently in the bill under consideration, even though, as I have said, the subcommittee did a fine job in other areas of the bill. But to answer the question specifically, the urban mass transportation program, which was established by legislation last year and placed in the Housing and Urban Development Department because at that time there was no Department of Transportation, under this bill would stay in the Housing and Urban Development Department.

If we have a real transportation crisis in America, it is in the cities and urban areas of the United States. If we are going to coordinate our transportation activities, and if this new Department of Transportation is to be meaningful whatsoever, we should have the urban mass transportation program under the Secretary of Transportation, and at the proper

time I will offer an amendment for that purpose.

Mr. McCCLORY. Mr. Chairman, will the gentleman yield?

Mr. ERLENBORN. I yield to the gentleman from Illinois.

Mr. McCCLORY. I am interested in the gentleman's comments and also in the subject of his proposed amendment because it does seem to me that the subject of our highways and the subject of urban mass transportation are so closely interrelated that they really belong in the same Department. I feel very strongly that the encouragement of urban mass transportation is the only answer to relieving our highways leading into our great metropolitan areas and within our metropolitan areas, and it would certainly be appropriate, in my opinion, to employ funds for highway purposes or to provide funds for the general purpose of providing highways and for relieving highways through the promotion of Department of Urban Mass Transportation facilities.

I am not suggesting that this is the full function of the Federal Government. But I do feel the Department of Transportation is an appropriate Department of the Federal Government in which these functions should be carried out and directed, so that the metropolitan area itself can provide the maximum of highway facilities as well as urban transportation facilities for the large populations that reside in those areas.

Mr. ERLENBORN. I thank the gentleman for his contribution. I agree with him wholeheartedly.

Mr. SLACK. Mr. Chairman, will the gentleman yield at this point?

Mr. ERLENBORN. I yield to the gentleman from West Virginia.

Mr. SLACK. Mr. Chairman, we are presently and we have been appropriating moneys for research in transportation and also high-speed ground transportation within the Department of Commerce. Is it true that this new agency of transportation would assume this responsibility, or would it remain within the Department of Commerce?

Mr. ERLENBORN. It will remain in the Department of Housing and Urban Development, as I recall. I am not certain. Certainly the urban mass transportation stays in Housing and Urban Development.

Mr. SLACK. Perhaps the gentleman did not understand me. I was talking about transportation research.

Mr. ERLENBORN. The gentleman is talking about the northeast corridor high-speed?

Mr. SLACK. No, the transportation research. Since 1962 we have appropriated \$7,625,000 in the area of transportation research. In addition to that we have appropriated \$18,250,000 for the high-speed ground transportation. These are both within the Department of Commerce at the present time. My question is, Would they be transferred to the new Department of Transportation?

Mr. ERLENBORN. Yes. I understand the gentleman's question. My understanding is that they will be.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ERLNBORN. Mr. Chairman, I yield myself 5 additional minutes.

Mr. Chairman, let me say, as I understand it, the functions of the Department of Commerce relating to transportation are transferred to the new Department of Transportation.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. ERLNBORN. I yield to the gentleman from California.

Mr. HOLIFIELD. Mr. Chairman, I want to reaffirm what the gentleman has said, that the functions of transportation that are now in the Department of Commerce are transferred over into the Department of Transportation, in line with trying to put all transportation matters together.

The gentleman has correctly said we have not put urban mass transit in, and there will be some discussion of that matter. We have not put in the St. Lawrence Seaway Development Corporation and the Alaska Railroad. There are a few things that have been left out, but reasons will be given, both pro and con, on that later.

Mr. SLACK. I thank the gentleman for yielding.

Mr. ERLNBORN. In summation, there are defects in this bill, as I have stated. Let me point out what these are. In colloquy they have been developed to a certain extent.

The fact that the accident investigating function of the CAB is going to be merged in with the Secretary of FAA is a defect, in my opinion, and also in the opinion of people in the industry it is a defect. This function should be separated out. Accident investigation should not be undertaken by the Secretary, so that he will not be investigating himself.

Section 7, although it has been amended, is still very unacceptable. Section 7 gives the Secretary of the Department the right to establish standards and criteria.

There is an amendment in this bill offered by the majority, which was adopted, that would give the appearance of making this unobjectionable, because it says—and this is in section 4(e)—that the standards and criteria so established by the Secretary shall not conflict with standards and criteria established by the law. The fact is, there are few if any standards or criteria in the area of Federal investment in transportation. There are few if any legislative enactments relating to standards and criteria in the Federal transportation area.

This still gives the Secretary pretty much of a free hand to establish standards and criteria for transportation. It also would require that any other agency or department proposing an investment in transportation by the Federal Government would have to establish their plan according to the facts developed by the Secretary of Transportation, and conform their proposal to the standards and criteria established by the Secretary of Transportation.

It appears to me that in the original bill as introduced by the administration there was an attempt to take what is now the function of Congress and give this to the executive department.

Actually, this whole area is somewhat a gray area, part executive, part legislative, but there certainly was an attempt by the administration to swing the pendulum over to the executive and to give all the power to the executive department in establishing standards and criteria for water resource projects and all other transportation projects.

If this section remains in the bill, that pendulum will still be on the side of the executive, taking congressional prerogatives and giving them to the executive department.

At the proper time I shall offer a motion to strike section 7 from this bill. I do not believe we can improve this section. I do not believe the amendments adopted by the subcommittee and the committee have made much of an improvement to this section. I believe that the entire section 7 should be stricken from the bill. It has no real bearing on the other powers and functions of the Secretary of Transportation.

So the amendments will be offered at the proper time. I hope I will have the support of the membership in improving the bill even beyond the point the subcommittee and the committee did in their deliberations.

Mr. HOLIFIELD. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas [Mr. Brooks].

(Mr. BROOKS asked and was given permission to revise and extend his remarks.)

Mr. BROOKS. Mr. Chairman, first I should like to pay some tribute to the chairman of the committee and to the senior Republican and other members who worked with them on the Committee on Government Operations for doing what I believe is a splendid job in full accord with the highest traditions of this legislative body in protecting the statutes as they now exist, as passed by the Congress, and at the same time putting them into an agency where they can be administered fairly and constructively.

Mr. Chairman, throughout history, the degree of development of a national transportation system has been a determining factor in boosting or in limiting the heights of greatness to which nations have aspired. Today our network of roadways, railways, waterways and airways monitor the heartbeat of our Nation—restraining us when inadequate, beckoning to us when lying useless.

The United States can be proud of its vast and varied system of mobility. In no industry has the inventive genius of the American people been more pronounced. No nation in history has been so successful in drawing together the far-flung reaches of its geography into a cohesive unit, working together to create the standard of living we enjoy.

We are no longer in a period of infancy in the development of our transportation system. We are in a period of highly sophisticated and challenging growth. In this era of development of supersonic transports, giant aircraft, high-speed rail transportation, and interstate highways, we cannot ignore the need for unified effort in planning and constructing a well-balanced transportation system that will complement and aid

the growth of our country in all respects. We cannot permit even the possibility of an antiquated, uncoordinated, wasteful transportation system that would stifle the progress of our country.

Today we are considering legislation to establish a department in the Government that will provide the framework within which a coordinated effort can be put forth. In the past, as a particular type of transportation has become an important influence in our economic structure, the Government has assumed its responsibility for encouraging, assisting, protecting, coordinating and sometimes regulating the industry so that it could best serve the needs of our country. Water transportation was undoubtedly the most prominent means of linking the colonies along the Atlantic seaboard together. Rail transportation conquered our western frontiers in the late 19th century. The automobile and the highway virtually revolutionized the way of life in every community in the country in the early 20th century. Now, air travel pulls us even closer together.

Presently we have a fragmentation of Government agencies dealing with the administration of the Government's interest in transportation matters. The ICC watches over the railroads and motor carriers while the Federal Maritime Administration and the Coast Guard are responsible for water transportation and the FAA and the CAB share responsibilities in aviation. The Department of Commerce has various functions in the field of transportation, particularly with regard to automotive travel. Transportation safety is scattered all over the Federal Government.

This fragmentation is not conducive to the development of a well-rounded, coordinated system. It lends itself to duplication and waste and leaves large areas untouched. Our Government cannot deal haphazardly with an activity of such national importance. Every dollar must be invested wisely if we are to maintain a transportation system which complements and aids the other segments of our economy.

We can afford neither an overexpansion nor an underexpansion in any individual mode of transportation. The problem now is with mixing and balancing the various means of travel in proper proportion so that for any given need, we will have the most efficient and convenient method of travel available. Only with sufficient direction, coordination, and cooperation can we delineate the problems and achieve the optimum reward for the investments of both the Government and the private citizens of this country.

The Government invests billions of dollars each year in highway construction, aircraft research and development, air traffic control, ship construction, railroad inspections and other transportation activities. Certainly there should be an officer of cabinet rank to oversee the various programs and policies which we here in Congress have enacted.

In the new Department, these programs will be continued, but will be carried on in an environment oriented to-

ward a complete transportation system rather than one distinct and isolated segment of the system. The advantage of a coordinated effort is obvious when we recognize the interrelation of the several modes of transportation—airline passengers travel to and from the terminals over superhighways; freight is delivered to and taken from the wharves by rail. There is no logic in administering these interdependent segments of the transportation system in separate Government agencies. A departmental organization with cognizance over all administrative transportation functions will permit a comprehensive evaluation of our needs and problems and enable us to develop an overall policy to meet the demands of the future.

Our cities and industrial complexes continue to grow at fantastic rates. The demands upon our rural areas for agricultural products and natural resources to support them will grow at a similar rate. This expected growth will impose a crushing burden on our existing transportation facilities. No one has suggested that our transportation system will not expand, but the Government's participation and investment in this expansion will be most productive only if made in a systematic, coordinated, and well-planned manner. No new department has faced a greater challenge nor held more promise. We cannot risk failing to recognize and meet that challenge.

Mr. Chairman, the state of our transportation may determine the state of our Nation. I urge the enactment of this vital legislation that will create a department through which this Government can fulfill the need of the people of this country.

Mr. HOLIFIELD. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. ROSENTHAL].

(Mr. ROSENTHAL asked and was given permission to revise and extend his remarks.)

Mr. ROSENTHAL. Mr. Chairman, I rise in support of H.R. 15963. I think it is a good bill but there are some features, particularly the one I am going to address myself to, that warrant special attention.

Let me say first I want to join with my colleagues in acknowledging the fact that the gentleman from California [Mr. HOLIFIELD] rendered monumental service to the House in bringing this bill to the floor today. We know that he and the members of the staff, together with minority members, worked countless hours, days, nights, weeks, and months in order to bring to the floor a very difficult and involved but at the same time a very useful bill.

Mr. Chairman, I would like to direct my remarks specifically to an amendment that I propose to offer at the appropriate time to create within this Department an Office of Aircraft Noise Control and Abatement. Something must be done now to help to alleviate what has become, in my judgment, a most acute social problem in the areas surrounding our cities. Many Members of Congress have been particularly disturbed, as have their constituents been, about the problem of aircraft noise. The

gentlemen from New York [Messrs. ADAMBO, TENZER, and WYDLER] and I have all spent many months, if not years, trying to see if something could not be done to alleviate if not to eliminate this very, very difficult social problem. Those of us who live near cities I am sure are aware of the interesting comment that the New York Times editorial offered on August 17, 1966, in commenting on the airline strike when they said the following:

About the only blessing of the airline strike is that life has been a bit quieter for the people unlucky enough to live within roaring distance of jet airports. Now that the planes are about to fly again it is time for Congress to do something about taking the decibels out of the aerial parade.

There is an enormous amount of evidence which documents the extent of the aircraft noise problem.

Aircraft noise is a matter that affects probably some 10 or 20 million American citizens, and I think it is about time that Congress did something to meet its responsibility in this very difficult area.

A brief review of what we have not done in the past might be useful in deciding what we ought to do in the future. All of you know that the jet engine was developed by the Air Force essentially for military purposes, and those that developed the jet engine were concerned with thrust and speed and not with noise. Airport neighbors in those days were told that they had to learn to live with this problem and had to accommodate themselves to it in the interest of national defense. The fact is that the aircraft industry itself has done virtually nothing about solving the problem of aircraft noise. As I said in my separate views, which I commend to all of you, appearing on page 76 of the committee report:

Efforts over the past years have been far less concerted than many of us in Congress have thought necessary and believed possible. Airplane manufacturer have not been falling over each other in competition to produce quieter aircraft. Noise abatement research and development, after all, hardly promises higher profits. Indeed, it can be said that noise abatement has been to the airline industry what safety engineering has been to the automobile industry. It has been, in short, an irritating and costly sacrifice which private industry is understandably reluctant to undertake.

At the present time the Department of Commerce, the FAA, and the NASA have all made some efforts, but only token efforts. And this problem is of such proportion that it will not yield to tokenism. Everybody knows this is true.

Essentially, Mr. Chairman, past efforts, in principal, have only been in the areas of flight pattern planning. Budgets have been incredibly low. For example, in 1966 NASA requested nothing for research and development in the field of aircraft noise abatement, and whatever little money that Congress forced upon them, they refused to spend.

Mr. Chairman, several months ago, for the first time, after prodding by Members of Congress, the FAA established a noise abatement service. This same group also serves as the interagency committee,

made up of the Assistant Secretary of HUD, Commerce, and NASA. There are four people—only four people—assigned by the FAA, to supervise the alleviation of aircraft noise abatement.

Mr. Chairman, this entire problem, I believe, is important to 10 to 20 million people, a problem which has created more controversy in the affected areas surrounding our cities than any other, and it is going to have to be solved by only four people. They are outstanding public servants—these four—but they have neither the influence nor resources to do the job.

Mr. Chairman, the problem is that up to now no one has really felt the need to do anything. The FAA has obviously been subject to pressure from the aircraft industry. There has been no effective spokesmen for the airport neighbor. My proposed office would provide that voice.

Mr. Chairman, the President acted in April of this year for the first time in recognizing that this is a problem. He established a Presidential panel on jet aircraft noise. Subsequently, he established an interagency group consisting of representatives of HUD, Commerce, OST, FAA, and NASA. We all welcomed that interagency group. But I submit that such an agency is not the most likely to be active day in and day out. It is under no obligation to meet or to report to Congress. It has no continuing guarantee of funds. And, in any case its staff is the same four men who work on the FAA noise abatement staff. I repeat, their resources and influence are insufficient.

Mr. HALEY. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 239]

Adams	Gettys	Roudebush
Andrews,	Hagan, Ga.	Schisler
Glenn	Halleck	Schmidhauser
Ashley	Hanna	Scott
Baring	Hansen, Wash.	Senner
Blatnik	Hébert	Sickles
Broomfield	Jones, Mo.	Sikes
Byrnes, Wis.	King, N.Y.	Smith, Calif.
Cahill	Kirwan	Sweeney
Callaway	Kluczynski	Thomas
Carey	Landrum	Toll
Celler	Long, La.	Tupper
Cohelan	McEwen	Tuten
Conable	McMillan	Walker, Miss.
Conyers	Martin, Ala.	White, Idaho
Cooley	Martin, Mass.	White, Tex.
Cramer	Morrison	Williams
Denton	Multer	Wilson,
Diggs	Murray	Charles H.
Ellsworth	O'Brien	Wolff
Evins, Tenn.	Powell	Zablocki
Flynt	Resnick	
Fogarty	Reuss	
Foley	Rivers, Alaska	
Ford,	Rogers, Tex.	
William D.	Rooney, N.Y.	

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. PRICE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 15963, and finding itself without a quorum, he had directed the roll to be called, when 358 Members responded to

their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. When the Committee rose, the gentleman from New York [Mr. ROSENTHAL] had 4 minutes remaining. The Chair recognizes the gentleman from New York [Mr. ROSENTHAL].

Mr. ROSENTHAL. Mr. Chairman, the present effort on the part of the Executive to meet this acute problem is dissipated and proliferated among a number of agencies. As I mentioned before, this kind of dissipation is simply inadequate to our needs. It was for this reason that the administration set up the FAA noise abatement service. They already realize the problem, in other words. My view is simply that their new concern and recognition will not receive sufficient expression without a visible office by virtue of congressional mandate.

Mr. Chairman, in 1966 the FAA, which has primary responsibility in the research and development field of noise abatement, received \$780,000; in 1967, it is proposed to receive only \$565,000. Nobody believes this is enough. But the noise abatement cause requires more political muscle if it is to get the money it needs. And this is where my proposed office fits in.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. HOLIFIELD. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. TENZER. Mr. Chairman, will the gentleman yield at this point?

Mr. ROSENTHAL. Mr. Chairman, I am happy to yield to the gentleman from New York.

Mr. TENZER. Mr. Chairman, I rise at this time, first, to compliment the gentleman in the well for taking up the fight for jet noise control and abatement. I will support the amendment to be offered by the gentleman from New York [Mr. ROSENTHAL].

Mr. Chairman, I also wish to compliment the chairman of the Committee on Government Operations, the gentleman from California [Mr. HOLIFIELD], and I should like to indicate my support of H.R. 15963, a bill to establish a Cabinet-level Department of Transportation.

(Mr. TENZER asked and was given permission to revise and extend his remarks.)

Mr. TENZER. Mr. Chairman, I would like to call to the attention of my colleagues that the amendment to be offered by the gentleman from New York [Mr. ROSENTHAL] which will provide for the establishment of an Office of Aircraft Noise Control and Abatement within the Department of Transportation, will only take care of one aspect of the problem of jet noise. I want to alert my colleagues, my constituents, as well as the millions of citizens who reside in and around the Nation's airfields that this is only a very small step we are asking the Congress to take today by the adoption of the proposed amendment.

Mr. Chairman, the creation of an Office of Aircraft Noise Control and Abatement merely sets up an office to coordinate our efforts to reduce aircraft noise. We may very well by this means

avoid the duplication of effort which has up to now taken place in attempts to find a solution to the problem.

Mr. Chairman, during the 1st session of the 89th Congress, I called to the attention of my colleagues that a number of agencies of our Government are engaged in one from or another of noise research. By combining all these efforts we may be able to avoid a waste of funds. The establishment of a noise abatement agency connected with the new Department of Transportation does not provide a mandate from Congress to accelerate the efforts in this field. This is what is needed and this is what I will continue to urge. It does not give to the Department of Transportation the additional regulatory powers which it needs or the funds required to make real and substantial progress in combating jet noises.

Mr. Chairman, I live in the shadow of Kennedy airfield, and various flight paths travel over my own home and over the homes of many thousands of my neighbors in the Fifth Congressional District of New York.

Millions of people living in and near our airports are similarly affected.

I urge my colleagues to review the statements which I have made in this Chamber on the subject of aircraft noise abatement, and I refer to my previous remarks:

	Page
May 6, 1965: "Aircraft Noise Abatement"-----	9363
May 13, 1965: "Jet Noise—Opens the Floodgates of Litigation"-----	A2377
May 20, 1965: "More on Jet Noise: NASA Conference"-----	A2533
May 27, 1965: "More on Jet Noise—Part IV—NASA Research Program"-----	A2718
June 10, 1965: "More on Jet Noise—Part V—FAA Aircraft Noise Symposium"-----	A3037
July 8, 1965: "Jet Noise—Part VI—Hazard to the Nation's Health"-----	A3630
Aug. 12, 1965: "More on Jet Noise—Part VII—Report on Noise Forum"-----	A4520
Aug. 30, 1965: "More on Jet Noise—Part VIII—Novel Test Over Long Island and Correspondence With the President"-----	A4888
Sept. 15, 1965: "The Latest on Jet Noise—Part IX"-----	A5205
Mar. 3, 1966: "President Recognizes Jet Noise Problem"-----	A1141
Mar. 21, 1966: "President Johnson Acts on Congressman TENZER's Jet Noise Plea"-----	A1614
May 3, 1966: "Debate on NASA Appropriation"-----	9223-9229
July 12, 1966: "Jet Noise: A Plea for Bipartisan Support"-----	A3632
Aug. 8, 1966: "Jet Noise" (delay the supersonic transport)-----	A4163

Mr. Chairman, I call to the attention of the gentleman in the well and to my colleagues that the additional steps needed will be the subject of hearings before the Committee on Interstate and Foreign Commerce to which my bills—H.R. 7982 and H.R. 16172, have been referred. The Committee will also consider the bill introduced by Chairman STAGGERS of that committee.

These bills when reported to the floor will present a more comprehensive and more meaningful program for effective noise abatement control.

I make this point, so that my support of the proposed amendment, may not be

misunderstood. I want to indicate to my colleagues that this is not a cure-all or an answer to all of the problems of jet noise.

Mr. Chairman, I commend the gentleman for his efforts and welcome his support when I continue to fight beyond the action to be taken by the House on his amendment. I know I can count on his support in the long-range fight to find a solution to a national menace.

Mr. ROSENTHAL. I thank the gentleman for his comments.

Mr. RYAN. Mr. Chairman, will the gentleman yield?

Mr. ROSENTHAL. I yield to the gentleman.

(Mr. RYAN asked and was given permission to revise and extend his remarks.)

Mr. RYAN. Mr. Chairman, I want to commend the gentleman from New York [Mr. ROSENTHAL] for his thoughtful approach to this serious problem and for having focused the attention of the Committee upon the question of aircraft noise control and abatement.

When the NASA authorization bill was on the floor on May 3, I urged that \$20 million additional be utilized by NASA to conduct a full scale research program on the engineering problems inherent in jet noise. I pointed out that NASA was the proper agency to deal with the engineering questions associated with aircraft noise control and abatement. Unfortunately, the amendment which I supported was rejected, as was the motion to recommit with instructions similar to the amendment. In other words, the House voted to postpone the day of reckoning.

Five or six agencies have been involved in this problem without overall coordination or a sense of urgency. It is time that this matter receive the priority it deserves, for the effects of jet noise are becoming more serious every day for those who live in the shadow of our great airports and the noise belt of our airplanes.

Mr. ROSENTHAL. Mr. Chairman, I think the bill before us expresses the theory of unifying command and responsibility in the field of transportation. This is good administration. I believe it is also good administration to assign specific statutory responsibility for a problem everyone knows is crucial. Only then do we assure action and provide for the continual review of a concerned Congress.

The very fact that this chart sits here today is an indictment of the failure to respond to this need.

Nowhere on this chart, under the responsibilities and duties listed for the Federal Aviation Agency is there one sentence or any comment of any kind about executive responsibility in the field of aircraft noise abatement. If the executives of the Department of Transportation are disposed to take this as a serious problem, then surely there must be some agency, some bureau, some other office responsible for getting at this problem. It is for this reason that this amendment is offered today.

Mr. BINGHAM. Mr. Chairman, will the gentleman yield?

Mr. ROSENTHAL. I yield to the gentleman from New York.

Mr. BINGHAM. Mr. Chairman, I would like to commend the gentleman for his initiative in this regard and to his statements, and I wish to lend my support to his amendment.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. ROSENTHAL. I yield to the gentleman.

Mr. HOLIFIELD. Mr. Chairman, the gentleman alluded to the chart. There are many sections that are not portrayed on the chart. The use of the chart here is as an organizational chart.

But the gentleman is well aware that we wrote into the bill in section 4, page 5, lines 4 to 6, that the Secretary should promote and undertake research and development in relation to transportation including noise abatement with particular attention to aircraft noise. So we have given them a charge, a responsibility, and a duty. Many of these duties are not on the chart. The reference to the chart is inconsequential, in my opinion.

Mr. ROSENTHAL. I am very much aware of the amendment we added into the bill.

Mr. HOLIFIELD. Mr. Chairman, if the gentleman will yield further—

Mr. ROSENTHAL. I yield to the gentleman from California.

Mr. HOLIFIELD. Because of the gentleman's interest—and it has been very great and he has been a great help to the committee—and the interest of others on the committee, we did write in that particular section of the bill a serious charge and responsibility to the Secretary to get to this matter. As the gentleman knows, there are other bills, like the gentleman from New York [Mr. TENZER] has just mentioned, which goes to the substantive problems, and which are in the jurisdiction of the Interstate and Foreign Commerce Committee.

Mr. ROSENTHAL. I acknowledge that, and I acknowledge publicly my gratitude to the gentleman from California for inserting that provision in the bill. But the simple difference between the gentleman from California and myself is that I am convinced that the provision he refers to requires a specific office for its effective implementation. This would be a statement by Congress that we expect something to be done, and that we want to see a single agency responsible for action. It is a direct responsibility which Congress will be assigning to the proposed Secretary. I think this carries more significance and muscle than a mere commentary in the foreword of the bill. Once the office is established, it will have access to the Bureau of the Budget, it will have access to the Secretary, and it will know the American people have spoken through the Congress and expect something to be done.

Mr. JOELSON. Mr. Chairman, will the gentleman yield?

Mr. ROSENTHAL. I shall be happy to yield to the gentleman from New Jersey.

(Mr. JOELSON asked and was given permission to revise and extend his remarks.)

Mr. JOELSON. Mr. Chairman, I am pleased to support H.R. 15963, which

would establish a Department of Transportation on a Cabinet level. As a Representative from a metropolitan area surrounding New York City, it is clear to me that we must increase our efforts to combat the choking strangulation with which we are faced on our highways, railroads, and airways. In the jet era we cannot get by with horse and buggy policies.

I am impressed by the statement of the Committee on Government Operations that in 1965, 87 million vehicles traveled the streets and highways of the Nation, and that it is estimated that in another 10 years the number of such vehicles will double.

No matter how diligent existing agencies may be, it is necessary to combine them under one head to make sure that their efforts are coordinated and integrated. I think it important that such agencies as the Federal Aviation Agency, the Bureau of Public Roads, the Under Secretary of Commerce for Transportation, the Civil Aeronautics Board and the Interstate Commerce Commission be subject to common control and direction. I believe that a most important function of the Department of Transportation will be to conduct research and development aimed not only at improving the flow of transportation facilities, but also combatting the air pollution and the noise which plague our cities.

I hope that this legislation will be enacted by an overwhelming majority.

Mr. GILBERT. Mr. Chairman, will the gentleman yield?

Mr. ROSENTHAL. I shall be happy to yield to the gentleman from New York [Mr. GILBERT].

Mr. GILBERT. Mr. Chairman, I support the Rosenthal amendment to establish within the Department of Transportation an Office of Aircraft Noise Control and Abatement. I commend the gentleman from New York for offering this amendment.

If we are to find a solution to the problem of aircraft noise, then the responsibility for all noise abatement efforts and functions must be coordinated and concentrated within one office in the new Department. At the present time they are spread about among several Federal agencies—the FAA, the National Aeronautics and Space Administration, the Department of Commerce, and the Department of Housing and Urban Development.

Several weeks ago I introduced a bill to provide for aircraft noise abatement study and regulation. Other Members have offered similar proposals, and the administration is strongly in favor of such legislation. This is a serious problem to which we must find an answer. I have received many complaints from residents of my 22d District in the Bronx, N.Y. The Bronx is severely affected as well as the Queens area in Long Island—since the addition of long runways at La Guardia Airport. But it is not a problem only in my city; it is one which confronts the residents of cities throughout the country which are adjacent to airports.

The office which would be created by the amendment offered by my colleague

from New York [Mr. ROSENTHAL] would be the logical agency and would provide the sensible approach to coordinating and carrying out the objectives of my bill, and similar bills, to study, control and regulate aircraft noise.

I strongly support the gentleman's amendment and I hope the Committee will adopt it when we come to the amendatory stage of consideration of this legislation to create a Department of Transportation. I urge my colleagues in the House to join me at that time in supporting the amendment of the gentleman from New York [Mr. ROSENTHAL] to establish an Office of Aircraft Noise Control and Abatement.

Mr. ADDABBO. Mr. Chairman, will the gentleman yield?

Mr. ROSENTHAL. I am glad to yield to the gentleman from New York [Mr. ADDABBO].

(Mr. ADDABBO asked and was given permission to revise and extend his remarks.)

Mr. ADDABBO. Mr. Chairman, I wish to compliment the gentleman from New York [Mr. ROSENTHAL] as a member of this Committee on Government Operations, for bringing again to the attention of this House through this bill the serious question of aircraft noise abatement which besets us in Queens with reference to the Kennedy-La Guardia Airports, but which will also affect many more areas with the additional airport activities and the increase in the jet noise of additional jet aircraft as is attested to by the increased concern of more and more of our colleagues each year.

Mr. Chairman, I generally support the bill before us, H.R. 15963. There is a need to bring the various agencies involved in the various modes of transportation together where the overall problems can be dealt with. The importance of these functions cannot be minimized for our national well-being depends upon an efficient and healthy transportation industry.

I was disappointed that the bill, as reported, does not give sufficient recognition to the most troublesome area of air transportation, I refer to the problem of aircraft noise for which I and my Queens and Nassau colleagues have for many years sought a solution. Greater recognition of this problem must be given—the problem has to be conquered. The amendment to be offered relative to the establishment of an Office of Aircraft Noise Abatement by my colleague, the gentleman from New York [Mr. ROSENTHAL], should be adopted.

There is another area in the bill before us which I am convinced is a mistake. Mr. Chairman, I am convinced that the maritime affairs should not be included in the Department of Transportation. The problems and importance of the maritime industry are of such importance that they can be dealt with effectively only through a separate and independent Federal Maritime Administration. I shall support the amendment which will be offered to strike maritime matters from this bill.

As a member of the Subcommittee on Treasury-Post Office, Committee on Appropriations, I have had firsthand dealings and knowledge of the work of the U.S. Coast Guard, now an arm of the Treasury Department. The Coast Guard was originally established to prevent smuggling and like activities—to-day it still has important work and functions in this area and, of course, has been enlarged and given many other duties. However, by no stretch of the imagination, can one justify including this agency in a Department of Transportation. If it is believed that the Coast Guard no longer belongs in the Treasury Department, then the only logical move would be to move it into the Department of Defense.

Mr. Chairman, I believe that we can have a good bill and a more effective Department of Transportation with the adoption of the amendments I have discussed. The need for the new Department is apparent—let us make it the best possible.

Mr. FRASER. Mr. Chairman, will the gentleman yield?

Mr. ROSENTHAL. I am happy to yield to the gentleman from Minnesota.

(Mr. FRASER asked and was given permission to revise and extend his remarks.)

Mr. FRASER. Mr. Chairman, I intend to vote for the amendment by the gentleman from New York [Mr. ROSENTHAL]. This amendment deserves support, in my opinion, because it would provide the kind of office that is so urgently needed to administer the aircraft noise abatement regulations proposed in another bill, H.R. 15875, also sponsored by the gentleman from New York.

Every Member of this House was, I am sure, relieved and happy last Friday when the 6-week-long airline strike ended. By Saturday morning, however, those who live near airports were reminded of the relative silence during the strike. Today's high-speed jet transportation is a mixed blessing. With all its conveniences, it has brought the inconvenience—and sometimes discomfort of noisy skies.

Yet, as Mr. ROSENTHAL pointed out so well in his supplementary comments to the committee report on H.R. 15963, activities by existing agencies to curb aircraft noise "have been so modest because they have lacked any specific and vigorous statutory instruction. They have been so limited because no office has been specifically designated by the Congress to study and prosecute noise abatement policy. The conditions requiring an effective Federal aircraft noise abatement program, in other words, are exactly similar to those arguing for a strong transportation safety policy. The effort must be centralized, coordinated, designated by statute, and instructed to direct all its energies to that single purpose."

In another section of his comments, the gentleman from New York [Mr. ROSENTHAL], said that—

Noise abatement had been to the airline industry what safety engineering has been to the automobile industry. It has been, in short, an irritating and costly sacrifice which private industry is understandably reluctant to undertake.

Mr. Speaker, the President's Special Panel on Jet Aircraft Noise, which issued its report last March, concluded:

Initiative for solving problems of jet aircraft noise can effectively come only from a source not compromised by economic interests in conflict with those of the major groups now involved—engine and aircraft manufacturers, airline operators, and local governments. And there is only one source meeting this constraint which can be functionally effective—the Federal Government.

The problem of aircraft noise, while concentrated mostly around airports in metropolitan areas, is nevertheless a national problem. Without question, it is going to get worse before it gets better. One of the areas now concerned with the problem is Minneapolis-St. Paul, Minn., site of a major international airport. In July the operators of the airport, the Minneapolis-St. Paul Metropolitan Airports Commission, passed a resolution recognizing the need for Federal action. One pertinent part of the resolution says:

The Congress should act as quickly as practicable upon the recommendation of the President or, in the alternative, on its own initiative confer upon the Federal Aviation Agency or other body or group, in its wisdom, the authority to establish and promulgate a maximum standard of aircraft noise in perceived noise decibels or other acknowledged standard and to vest the authority and power in the Federal Aviation Agency or other appropriate body, to enforce adherence to such standards by all aircraft operators, or take such other action as will result in effective discipline over the total problem.

Mr. Chairman, I think an "appropriate body" in which to vest the much-needed authority to promulgate aircraft noise abatement standards would be the office proposed by this amendment. I urge the support of all Members of the House. In so urging, I ask that the resolution passed by the Minneapolis-St. Paul Metropolitan Airports Commission be printed in its entirety:

RESOLUTION No. 661

Whereas the Minneapolis-Saint Paul Metropolitan Airports Commission, operators of the Minneapolis-Saint Paul International Airport—Wold-Chamberlain Field, pursuant to Minnesota Statutes, has a vital interest in urging a solution to the aircraft noise problem; and

Whereas the noise created by the present jet aircraft is becoming a more serious problem and a solution of this problem is daily becoming more urgent; and

Whereas the problem defies solution at the local governmental level and is properly a problem of national concern by virtue of Federal Statutes defining the airspace to be within the public domain and subject only to the jurisdiction of the Federal Government; and

Whereas an orderly approach to the problem requires an extensive evaluation of the consequent effects created thereby, an analysis of the means by which aircraft noise annoyance can be reduced to acceptable levels, and the formulation and adoption of a comprehensive integrated program to solve the problem in the interest of the public; and

Whereas the President of the United States, in his message on Transportation delivered to the United States Congress on March 2, 1966, took cognizance of the urgency of solving this problem; and

Whereas at the present time no maximum standard of aircraft noise has been formulated or adopted by the Federal Government,

and no agency or department possesses the authority to regulate aircraft noise; now therefore, be it

Resolved, by the Minneapolis-Saint Paul Metropolitan Airports Commission, operators of Minneapolis-Saint Paul International Airport—Wold-Chamberlain Field, that:

1. This Commission hereby finds and determines that noise created by the operation of present jet aircraft is a problem of serious proportions not within the control of the Minneapolis-Saint Paul Metropolitan Airports Commission as a local governmental unit;

2. This Commission is convinced beyond doubt that means and methods presently exist to reduce aircraft noise to a level acceptable to the communities at which jet aircraft operate.

3. The Government of the United States should accept Federal responsibility for the control and consequences of aircraft noise because of the congressional declaration that the airspace is public domain (Congress by such declaration has assumed the responsibility and duty to control in all respects the users of the airspace);

4. The President's Science Advisor, with the administrators of the Federal Aviation Agency, National Aeronautics and Space Administration, and the Secretary of Commerce and the Secretary of Housing and Urban Development, should take steps toward the sound resolution of this problem by legislative recommendations to the Congress.

5. The Congress should act as quickly as practicable upon the recommendations of the President or, in the alternative, on its own initiative confer upon the Federal Aviation Agency or other body or group, in its wisdom, the authority to establish and promulgate a maximum standard of aircraft noise in perceived noise decibels or other acknowledged standard and to vest the authority and power in the Federal Aviation Agency or other appropriate body, to enforce adherence to such standards by all aircraft operators, or take such other action as will result in effective discipline over the total problem;

6. The President's Science Advisor, the administrators of the Federal Aviation Agency, National Aeronautics and Space Administration, and the Secretary of Commerce and the Secretary of Housing and Urban Development, take cognizance of the urgency of solving this situation and make provisions for receiving an expression of the views of representatives of national association or organizations comprised of State, County or Municipal Governments; be it further

Resolved, That copies of this Resolution shall be forwarded to the President of the United States, the U.S. Senators representing the State of Minnesota, the Congressmen constituting the Minnesota Congressional Delegation, the President's Science Advisor, the administrators of the Federal Aviation Agency, National Aeronautics and Space Administration, and the Secretary of Commerce and the Secretary of Housing and Urban Development, the President and Executive Director of National Association of Counties, the President and Executive Director of National League of Cities, and National Association of Municipal Law Officers and other interested organization, and that the Executive Director of the Minneapolis-Saint Paul Metropolitan Airports Commission inquire periodically as to any affirmative action or lack thereof on this matter so as to keep this Commission informed concerning the reactions of the recipients of this Resolution.

Mr. FARBSTEN. Mr. Chairman, will the gentleman yield?

Mr. ROSENTHAL. I am happy to yield to the gentleman from New York.

(Mr. FARBSTEN asked and was given permission to revise and extend his remarks.)

Mr. FARBSTAIN. Mr. Chairman, I might state that the congressional district which it is my honor to represent is subject to noises that seem incongruous as a result of the helicopters going from La Guardia and Kennedy Airports to the New York central area.

Now, Mr. Chairman, these are residential areas and are also business areas. These noises disrupt the life of the people and the life of the business community which is extremely important.

So, Mr. Chairman, I believe the amendment of the gentleman from New York [Mr. ROSENTHAL] is very salutary and in my opinion should be accepted.

Mr. ROSENTHAL. I thank the gentleman from New York.

Mr. ERLBORN. Mr. Chairman, I yield to the gentleman from New York [Mr. KUPFERMAN], such time as he may require.

(Mr. KUPFERMAN asked and was given permission to revise and extend his remarks.)

Mr. KUPFERMAN. Mr. Chairman, I support H.R. 15963, the Department of Transportation Act, as a necessary advance in the ever increasing struggle to meet the complex demands for improved transportation.

As I stated in the CONGRESSIONAL RECORD of August 16 at page 18716, during the debate in the House on the mass transit bill—H.R. 14810—we live in a modern age, but with an archaic and chaotic transportation system. There is little question that with the technological know-how of our country we can meet the transportation problems of tomorrow. Our first order of business, however, is to meet the pressing needs of today.

One of the most pressing needs of today which we have failed to recognize is for the abatement of excessive noise, whatever the source.

It has been suggested by some of my colleagues that the proposed legislation before us today is deficient in that it fails to deal with the subject of aircraft noise abatement.

I concur with and commend those who would take active steps to abate aircraft noise.

I would be remiss, however, if I failed to caution my colleagues against being somewhat nearsighted about what they hear.

Aircraft noise is a serious problem. It is, however, one of a whole series of complex sources of excessive noise. To the city dweller, for example, the din of the helicopter flying overhead and the din of the air compressor and pneumatic drill outside his apartment window at 7 a.m. are both serious.

On April 21, 1966, I introduced a bill—H.R. 14602—which appears in the CONGRESSIONAL RECORD of April 21 together with my statement and related studies and articles at pages 8339 through 8362, to provide a comprehensive study of the complex noise situation in the United States with a view toward a better understanding of the detrimental effects of excessive noise.

My bill would establish an Office of Noise Control within the Office of the

Surgeon General. The Office, headed by a Director and assisted by a Noise Control Advisory Council, would provide grants to the States and local governments to research ways and means of control, prevention and abatement of noise.

The Office of Noise Control would cooperate fully with existing Federal agencies presently working in the specific field of jet aircraft noise abatement, and would prepare, publish and disseminate educational materials dealing with control, prevention and abatement of noise.

I am pleased that there has been considerable response to my noise pollution bill. In the CONGRESSIONAL RECORD of June 2 at pages 11603 through 11618 and August 4 at pages 17430 through 17454, I have set forth editorials and letters on the subject, together with additional studies and articles of interest to those concerned with noise.

Presently, FAA is primarily concerned with noise research from the perspective of where and how the planes fly. NASA seems to be primarily concerned with the mechanical generation of noise.

It is my firm belief that the notable research and admirable work being carried on by the FAA, NASA, and CHABA—Committee on Hearing and Bioacoustics—should be centralized to insure greater efficiency and more benefit to all those interested in the general field of noise abatement. We can no longer afford to go off in several different directions in our effort to reduce excessive noise.

We must develop a central unit or "noise information clearinghouse" where the efforts of all the present agencies working with jet and helicopter noise can be combined and coordinated.

If we were faced only with noise from vehicles and planes used in transportation, it would seem logical to place a central office of noise control within the bill to establish a National Department of Transportation, before us today—H.R. 15963. In the CONGRESSIONAL RECORD of May 2 at pages 9024 through 9030 I set forth detailed studies relating to excessive noise caused by trucks and automobiles on our Nation's highways.

The fact is, however, that excessive noise is coming from several sources which have nothing to do with transportation as such.

As I stated in the CONGRESSIONAL RECORD of May 3 at page 9223 during the debate on Congressman WYDLER's excellent amendment to the NASA appropriation to provide \$20 million toward jet aircraft noise reduction, we must be careful not merely to appropriate a blanket amount of money to be used for jet aircraft noise abatement without definite criteria, a well-planned program, and a systems approach with respect to controls.

One of the many types of controls which should be employed, for example, is the prescription of standards for accurate measurement of aircraft noise. I have today introduced a bill which would provide that the Administrator of FAA be empowered to prescribe such standards, rules and regulations with respect

to aircraft noise abatement in the issuance, amendment, modification, suspension or revocation of any certificate. A copy of my bill is included at the end of that statement. I would stress, however, that this is only one small example of the overall program of needed controls.

The committee's decision to include in section 4 of the transportation bill a provision that the Secretary of Transportation conduct research on the problem is a good idea but little more. What we need is an immediate and all-out effort to launch a vigorous and imaginative program to deal with the general problem in all areas of noise pollution.

A copy of my bill on the question only of setting Federal aviation aircraft noise standards, follows:

H.R. —

A bill to amend the Federal Aviation Act of 1958 to authorize aircraft noise abatement regulation, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title VI of the Federal Aviation Act of 1958, as amended (49 U.S.C. 1421-1430), is amended by adding at the end thereof the following new section:

"AIRCRAFT NOISE CONTROL AND ABATEMENT

"Standards, rules, and regulations

"SEC. 611. (a) The Administrator is empowered to prescribe and amend standards for the measurement of aircraft noise and to prescribe and amend such rules and regulations as he may find necessary to provide for the control and abatement of aircraft noise, including the application of such standards, rules, and regulations in the issuance, amendment, modification, suspension, or revocation of any certificate authorized by this title.

"Notice and appeal

"(b) In any action to amend, modify, suspend, or revoke a certificate in which violation of aircraft noise standards, rules, or regulations is at issue the certificate holder shall have the same notice and appeal rights as are contained in section 609, and in any appeal to the Board, the Board shall consider the aircraft noise violation issues in addition to the safety and public interest issues as provided in section 609."

SEC. 2. That portion of the table of contents contained in the first section of the Federal Aviation Act of 1958 which appears under the center heading "TITLE VI—SAFETY REGULATION OF CIVIL AERONAUTICS" is amended by adding at the end thereof the following:

"SEC. 611. Aircraft noise control and abatement.

"(a) Standards, rules, and regulations.

"(b) Notice and appeal."

Mr. ERLBORN. Mr. Chairman, I yield to the gentlewoman from New Jersey [Mrs. DWYER], 10 minutes.

(Mrs. DWYER asked and was given permission to revise and extend her remarks.)

Mrs. DWYER. Mr. Chairman, I rise in support of H.R. 15963.

I believe that few of us would deny the fact that our transportation system is in need of overhaul today. While the airlines are beginning to prosper, the railroads are in ill health and our merchant marine is dying. While we have developed a successful interstate highway system, our urban thoroughfares are

choked and urban mass transit is decaying.

Transportation—as a vital public necessity—has been regulated by the Government almost since its inception. But, regulation has been piecemeal and patchwork. Over much of our history, we have concentrated upon individual modes of transportation, instead of looking upon each mode as part of an integrated system. Thus, in seeking to assist one form of transport, we have sometimes injured another. This approach, has, in too many instances, jeopardized the health of the entire industry and has also impeded the traveler and the shipper who generally must rely upon more than one form of transportation.

By establishing a Department of Transportation, there would be created the means for fashioning a coordinated and unified approach to transportation. Promotion, research, safety, planning and development could be approached on functional bases which cut across individual model lines. Economies and advances in technology, developed in one form of transport, would in the future be more rapidly and readily applied to others.

This does not mean, of course, that creation of the new Department would be a panacea. To the contrary, as I have pointed out in my additional views to the committee report, many shortcomings exist in the legislation, as reported.

H.R. 15963 does not deal, for example, with the issue of urban mass transportation. Rather, this matter is left in limbo for at least a year while metropolitan areas continue to strangle in transportation bottlenecks.

We are told in the President's message that the Secretary of Transportation and the Secretary of Housing and Urban Development are to study this matter for a year and then decide where urban mass transportation should be housed. But there is not one word in the bill which commands that these conversations be held, that establishes guidelines or priorities to be followed by the two Secretaries in their conversations, or that requires that a decision be reached within 1 year. This absence of clear direction and decisionmaking places in jeopardy the entire urban mass transportation program. Instead of deferring to this policy of drift, the committee should have resolved this matter before the bill was brought to the floor.

While it does not seem overly significant whether the responsibility for coordinating balanced transportation programs in urban areas is located in the new department or in the Department of Housing and Urban Development, it is deeply troubling that under this legislation the overall responsibility is located in neither department.

There is, as we all can appreciate from firsthand experience, a very close connection between highways and rail mass transit in urban areas and between transportation generally and other urban development programs.

If, therefore, we want to promote real balance between our highway and mass

transportation programs—which should be a major objective—we must pay more than lipservice to the concept and provide a workable system for coordinating the two.

Moreover, we cannot have Federal highway officials, without taking into consideration all the factors which contribute to area growth, vetoing the carefully planned efforts of local communities to evolve their own development programs, including transportation.

Turning to the issue of air safety, the bill provides that the functions of the Bureau of Safety of the Civil Aeronautics Board are to be transferred to the new Department and are to be placed under the direct authority of the Secretary of Transportation. This could jeopardize the advances we have made in air safety in recent years.

In 1958, Congress established an independent Federal Aviation Agency which was to be responsible for control over the regulation of airways and over various promotional aspects of aviation. Among its duties, the FAA was charged with the responsibility for promulgating air safety regulations. At the same time, Congress also established an independent Civil Aeronautics Board which was given economic regulatory responsibility over civilian aviation and the responsibility for investigating aviation accidents.

Prior to 1958, both the duty to promulgate air safety regulations and to investigate aviation accidents was housed within the Department of Commerce. As my additional views point out, this dual responsibility proved unsatisfactory because it authorized one agency to sit in judgment upon its own mistakes. As a result, the state of aviation safety at that time was unacceptable. Since 1958, significant advancement has been made in the air safety record. Regrettably, we still experience most unfortunate accidents. But safety has improved and every effort is being made to improve it even further. A major reason has been the fact that when the Federal Aviation Agency has been found to have contributed to an accident, the CAB has not hesitated to say so.

Now, however, we are asked to return air safety to that unsatisfactory state which existed prior to 1958. The regulation of safety, along with other functions, is to be transferred to the Secretary of Transportation from the FAA. Similarly, the functions of the Bureau of Safety are to be transferred to the Secretary from the CAB. It is correct that the latter would be placed in a separate office of accident investigation. But, this office would be under the direct supervision and control of the Secretary. Thus, once again, accident investigation and safety regulation would come under the supervision of a single agency—an agency which would be charged with investigating itself. This should not be permitted to occur.

Another objectionable feature of the bill is its failure to deal effectively with the subject of noise abatement and air pollution.

A majority of our country's population now lives in metropolitan areas.

Each year this majority grows larger. While metropolitan living provides many advantages, it also creates a number of irritants. Among the most serious are those caused by noise and pollution. And, of course, the transportation media are among the major contributors to both of these problems. In the case of noise, for example, the whine and roar from low-flying jet aircraft over residential areas is particularly disruptive of normal living. As for air pollution, the fumes emitted from cars, trucks, trains, and other forms of transportation can all but suffocate the city dweller.

The continuation and aggravation of these objectionable conditions will surely turn our metropolitan areas into wastelands. Yet these problems continue to be shunted from agency to agency and from official to official. No one will accept real responsibility. No one will take it upon himself to institute the necessary corrective action. Now is the time and here is the place to stop passing the buck. We are here creating a Department of Transportation. We are placing upon the Secretary of this Department the responsibility for operating, coordinating, researching, and planning the many separate facets of transportation. If we are to launch an effective program to eliminate the irritants caused by noise and air pollution, we should do it now by authorizing and directing the Secretary to exercise the necessary responsibility.

Finally, section 7 of the bill is open to serious question. By this section, the Secretary is authorized to promulgate on his own authority criteria and standards for the investment of Federal funds for transportation. I recognize that the breadth of this section has been considerably narrowed since its original introduction. Many investment programs have been eliminated from its coverage. But some investment programs remain affected.

More important, however, is the fact that the principle behind this section will remain intact; namely, that the Secretary will be handed the unrestricted authority to interpose his judgment over that of Congress as to how or whether money should be spent. In addition, the Secretary would be in a position to interfere with national transportation policy. Under present authority, only Congress has the authority to establish such policy. In this bill, we specifically provide that Congress retain this authority and only give to the Secretary the authority to recommend changes in policy to the Congress. But, if the Secretary retains the right under section 7 to transfer money from one program to another or to withhold spending money on a particular program, he could be in a position to affect transportation policy in the absence of congressional directive. In my opinion, the Secretary should not have such authority.

Aside from these defects and a few others of a more limited nature, this is a good bill. By correcting these defects, we can make it an even better bill. I believe that in establishing the Department of Transportation we can better perfect the Government's means of co-

ordinating and improving the Nation's transportation network. Generally, I am reluctant to create a new department of Government since this has a tendency to escalate bureaucracy without improving efficiency. But, in this case, transportation has historically been regulated by the Government. By establishing this new Department, we are fashioning a means of streamlining and improving the Government's role.

Mr. Chairman, I urge enactment of H.R. 15963.

Mr. ERLBORN. Mr. Chairman, I yield such time as he may consume to the gentleman from Virginia [Mr. BROYHILL.]

Mr. BROYHILL of Virginia. Mr. Chairman, I rise in support of this legislation and particularly in support of an amendment which will be offered tomorrow by the gentleman from New York [Mr. ROSENTHAL].

Mr. Chairman, the Department of Transportation concept is something which has been proposed and supported by several administrations.

We are at last at the point where we may implement these suggestions and, if there is any doubt about the important place of transportation activities in our Government and in our economy, the recent airline strike should have clarified our thinking.

The purpose of this legislation is to bring together into one place for coordination and administration all possible aspects of transportation activities within the Federal Government. If this is our purpose, and I think it is and should be, the matter of aircraft noise control should be high on the list of the things requiring the coordination to which I refer.

The history of the Federal Government activities having to do with abatement of aircraft noise has so far presented a rather sorry picture. There have been abortive studies, long hearings, proposals of legislation, considerable conversation, and large amounts of public frustration. In short, nothing much has been accomplished.

Consideration of the legislation we have before us today may be our one real opportunity to bring together all of the activities having to do with aircraft noise and to get some real action started on this problem.

The creation of an Office of Aircraft Noise Control and Abatement within this new Department of Transportation will not only bring about better coordination of Government activities in this field, but it will also make it possible for the public and the Congress to look to one agency and to one office for results in the solution of this problem.

In one of the many special studies which have been made on this subject, the President's Special Panel on Jet Aircraft Noise concluded a report in March of this year as follows:

Initiative for solving problems of jet aircraft noise can effectively come only from a source not compromised by economic interests in conflict with those of the major groups now involved—engine and aircraft manufacturers, airline operators, and local governments. And there is only one source meeting this constraint which can be functionally effective—the Federal Government.

As my colleagues know, Washington National Airport, located just across the Potomac River in my northern Virginia district, is a vivid illustration of the need for noise abatement regulation at a more effective level.

The Federal Aviation Agency and its noise abatement staff makes a valiant effort to reduce noise in the Washington area resulting from National Airport traffic. But there is virtually no punitive action they can take against pilots who violate their procedures for staying within the prescribed flight pattern and/or climbing to prescribed heights before turning over residential areas. Voluntary methods can only accomplish a limited degree of success in spite of continuing agency pressure upon the airline industry and its pilots.

The FAA has even less success in the reduction of engine noise. It is quite natural that airlines under pressure from stockholders to make profits would resist use of mufflers or other noise abatement devices which would also reduce the amount of power output per gallon of fuel. It is natural, too, that engine manufacturers would direct the greater part of their research to improvements more directly connected with increased efficiency rather than into the problem of noise reduction.

An example of the weakness of the FAA in this field is a brochure recently sent to my office by the National Aircraft Noise Abatement Council, the private industry organization interested in this problem. In some four or five pages of the bulletin, all information and advice was solely related to soundproofing of buildings against aircraft noise.

The Federal Aviation Agency has requested and received cooperation from the airlines flying in and out of National Airport to limit the number of flights by commercial carriers to 40 an hour, including both jet and propeller-driven planes. With the gradual changeover to jets it is both possible and probable that this will mean 40 jets landing and taking off each hour before long. In addition, unless this voluntary cooperation is backed with some enforcement authority there is bound to be more and more pressure to add to the number of landings and takeoffs which can be accommodated at National.

While the studies, proposals, hearings, conversations and frustration continue, those who live along the green valley of the Potomac suffer, as do all those who live in the immediate vicinity of any of our major city airports. The problem increases daily and the number of people affected increases accordingly.

Mr. Chairman, I intend to support an amendment, which I understand will be offered by the gentleman from New York [Mr. ROSENTHAL], which would provide for the creation of an Office of Aircraft Noise Control and Abatement. I urge my colleagues to join me in making the creation of an Office of Aircraft Noise Control and Abatement an integral part of the Department of Transportation. The problem has been a lack of coordination and directed interest, and such an office can provide the focal point for action and solution.

Mr. ERLBORN. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. COLLIER].

(Mr. COLLIER asked and was given permission to revise and extend his remarks.)

Mr. COLLIER. Mr. Chairman, I should like to return for a moment to a discussion of some aspects of the amendment which the gentleman from New York [Mr. ROSENTHAL], indicated he will offer tomorrow.

I believe it essential that we get this problem of jet aircraft noise in its proper perspective.

In 1962 I was a member of the Committee on Interstate and Foreign Commerce and of the Subcommittee on Aeronautics and Transportation. We conducted extensive hearings on jet aircraft noise. Subsequently; the following year, I was instrumental in securing a series of jet aircraft hearings, prompted by a very serious situation in this area in my own congressional district, which embraces O'Hare Field, one of the busiest if not the busiest airport in the world. It became evident, after many days of hearings, that actually there was no one in the Federal Government who was responsible for the welfare and the interest of the people on the ground.

The FAA generally, and I suppose properly, was primarily interested in the safety of the aircraft.

The local airport authorities did not have authority extending beyond the geographical confines of the airport.

The other people who testified before the committee, including the air lines representatives, felt that anything which could be done in this area had to be done primarily through improvement in engineering.

So at the close of the hearings it became quite evident that there was a void or a gray area in the matter of protecting the rights of many people on the ground who are constantly annoyed and who find the jet air noise a nuisance almost daily in their way of life, as well as to the schools and churches in the areas affected by noise on the ground.

We have spent millions of dollars over the years researching aircraft noise problems both civilian and military.

There are funds within the NASA appropriation, as we all know, to deal with jet aircraft noise through improved engineering.

Today this remains a serious problem in many areas of the country. I quite agree with the gentleman from New York in saying I believe Congress has a responsibility to delegate to an agency authority and to make it mandatory that they deal with this very serious problem.

I do not believe it is going to be done unless we specifically direct through this legislation that it be done, and establish the power in an agency whose sole responsibility will be to handle the growing problem of jet aircraft noise in the space age in which we live.

I say to the gentleman from New York as one who has, incidentally, on two previous occasions, in the 87th Congress and again in the 89th Congress, introduced special legislation to establish a noise abatement commission, I will join him tomorrow in support of his amendment.

Mr. ERLNBORN. Mr. Chairman, I yield 15 minutes to the gentleman from Ohio [Mr. CLARENCE J. BROWN, JR.]

Mr. CLARENCE J. BROWN, JR. Mr. Chairman, I am, like everyone else who has spoken on this bill, for the concept of a Department of Transportation; but, unlike most of those who have spoken up to this point, I am opposed to this bill H.R. 15963, at least until the bill is cleaned up by action of this Congress.

I am a little like Sam Goldwyn who, when he was asked to be involved in a business deal that he really did not want to pursue because he felt it might be bad for business—but yet he did not want to offend anybody—said, "Please include me out."

I am not alone in wanting to be "included out" of this bill, because most of the industry people who testified, have also asked to be "included out." As a matter of fact, most of the Government agencies involved in transportation have succeeded in being "included out" as far as this bill is concerned.

The merchant marine, which is tied now to the Commerce Department, has asked to be "included out." It may have some difficulty in succeeding in doing this, but it certainly has made its case impressively to the Congress.

The Great Lakes carriers and barge lines in this country, fearing the executive's setting standards for transportation investment without congressional action, have also asked to be "included out."

The airlines, happy with the independent status of the FAA and the CAB and fearing overcoordination from the executive branch of the Government, have asked to be "included out."

The railroads, overregulated now but at least comfortable and trusting as far as the Interstate Commerce Commission is concerned, have asked to be "included out" of the proposed Department of Transportation.

Pipelines, not now as closely regulated and not wanting to be any more closely regulated than they are, have asked to be "included out" of the new Department of Transportation.

Trucklines, fearing the economics of perhaps inappropriate safety regulations, have also asked to be "included out" of the new Department of Transportation.

So let us look at the transportation industry for just a moment if we can. First, let us make note of the fact that businesses within each mode of transportation in this industry compete with each other. The different modes also compete with each other within the appropriate framework of Federal rules and regulations. They are not always satisfied, perhaps, with that Federal regulation, but at least most of them have grown comfortable with the independent agencies now in charge of regulating their rates, their routes, their rules of operation, and the safety requirements under which they operate.

These hitherto independent agencies which do this regulation job, compete in their turn with each other for the attention of the Congress. They compete for rulemaking legislation. They also compete for subsidy grants for things like

harbors, airports, highways, riverways, and so forth—things that are of fundamental assistance to the successful operation of the various modes of transportation in our country. Each of these independent agencies and each of these modes has its champions within the individual membership of Congress. And each agency and mode has its champion within the committee organization of the Congress.

This is why the industries in each mode fear too much power in a single hand in the administration. Most of them have suggested that this power continue to reside in the Congress or in the quasi-independent agencies which Congress has set up to regulate the various modes of transportation for the Congress.

Mr. Chairman, I think the reason for this fear is that they know the Federal Government—just like the grace of the good Lord—what it giveth, it can take away.

Mr. Chairman, we found this to be true in education, that what the executive branch of the Government controls, it can also withhold.

They also know that there are differences in the way some of the regulations can be applied. And, so, to yield safety regulations—which are economic in their base—and licensing control to the executive branch of the Government raises some areas of concern.

For the executive branch to set economic standards and criteria for the investment of Federal funds also raises some concern because then, if you do not have a champion in the executive department, your mode just might be in trouble.

And, Mr. Chairman, this bill also envisions the expenditure of a good deal more Federal time and effort and money in the area of research and development in the area of transportation in this country. If the research and development funds are being spent upon the mode of transportation of someone else and not yours, then you would like to have a champion, which you may not have in the executive department.

The influence of a Secretary of Transportation upon rates and routes set by even independent agencies can certainly be great, also.

So, we see the various industries involved in transportation in this country expressing their fear of the weighted impact of the executive branch of the Government controlling their industry.

What would happen should the executive lay heavier emphasis, for instance, upon air and highways than upon railroads and barge lines, or vice versa?

Now, Mr. Chairman, these decisions are fought out in the Congress in a public forum. Under this bill that seems unlikely for reasons upon which I should like to expand. The worst thing that could happen is that you might be completely forgotten like the merchant marine.

The "include me out" approach that I suggest industry representatives felt when they testified on this bill did not show up in the testimony of representatives of the executive branch of Govern-

ment simply because we did not have very many people from the executive branch of Government who testified on this bill. Moreover, they had taken care of their "include me out" feelings on H.R. 15963—or rather, its predecessor H.R. 13200—in the gestation period of the bill within the executive department. Apparently in most instances they accomplished their purpose, because under this bill the Department of Transportation Secretary is precluded from developing standards and criteria for the evaluation of Federal investment in transportation in such areas as these and, Mr. Chairman, I quote directly from the bill: "Defense features included at the direction or upon official certification of the Department of Defense in the design and construction of civil air, sea, and land transportation" will not have the comment or the criticism of the Secretary of the Department of Transportation with reference to standards and criteria.

Thus, Mr. Chairman, Secretary McNamara has been successful in getting the Department of Defense "included out" of this legislation.

Also, Mr. Chairman, "included out" are programs of foreign assistance, because, apparently, Secretary of State Rusk was successful in getting his Department "included out" of this legislation.

Mr. Chairman, the interoceanic canal outside of the continental limits of the United States takes care of both Dean Rusk and Bob McNamara, because it is also "included out."

And, Mr. Chairman, as if that were not enough, practically everyone else in the executive branch of the Government is "included out" under this language now contained in the bill: "acquisition of transportation facilities for equipment by Federal agencies in providing transportation services for their own use" and will not be under the purview of the Secretary of Transportation in establishing standards and criteria.

Thus the Post Office, the General Services Administration, the Department of Agriculture, the Department of the Interior, and others are "included out" of the Department of Transportation.

Grant-in-aid programs are also eliminated. So urban mass transportation and the northeast corridor now under the Department of Housing and Urban Development are "included out" of this legislation. We have already had considerable expansion of the questionable logic in that.

Finally, in the action of the committee at the last minute as a matter of compromise in order to get the Committee on Public Works of this Congress off its back, this legislation "included out" water resources. This took the Corps of Engineers out of the standards criteria which are to be set by the Secretary of the Department of Transportation.

The Coast Guard which now comes under the Treasury Department—at least in the organizational way that some of the other agencies are brought into DOT—is also "included out," because the Coast Guard is brought in as an organizational entity inviolate from the De-

partment of the Treasury—and the Department of Defense under which the Coast Guard operates in time of war. Thus, the Treasury was successful in getting Coast Guard "included out" so far as losing its identity the way FAA and BPR lose theirs.

The Coast Guard, as a matter of fact, comes in as a sort of "fifth mode" of transportation on a coequal organization chart level with the highway, rail, air, and maritime administrations in the proposed Department.

The issue of the Federal Maritime Administration in the Department raises an interesting question. If it is stricken out by the action of the Congress, what happens to the Coast Guard? Who is the Coast Guard going to regulate under the Department of Transportation?

Mr. Chairman, we have obviously had many compromises to get this bill this far, and apparently some discussion of further compromise is going on at this moment with reference to the Maritime Administration in this Department. And it, too, may be successful in getting "included out" before today or tomorrow is over.

Now where do the agencies proposed to make up the Department of Transportation envisioned on this organizational chart come from?

First, the Maritime Administration. It comes from the Under Secretary for Transportation of the Department of Commerce to the Secretary of Transportation—and I understand also that he may even become the Secretary of Transportation if we create this Cabinet-level post. The Maritime Administration comes from the Department of Commerce where it has languished since 1950 when it was put in the Department of Commerce by a reorganization plan growing out of the Hoover Commission.

The Committee on Merchant Marine and Fisheries, of course, has hit the ceiling on this move because it would rather have the Maritime Administration moved away from the executive branch of the Government and closer to Congress.

Several of the representatives from the maritime industry have also expressed their opposition to moving to DOT as have the labor unions who work in the merchant marine industry.

The FAA and the part of the CAB to be brought under the Department of Transportation did not come from another executive department. As a matter of act, there is very little in this bill that does come from other executive departments. The FAA functions and the part of the CAB functions which are to be transferred to the Secretary of the Department of Transportation come from the presently quasi-legislative, quasi-judicial and quasi-administrative independent agencies—FAA and CAB—which were established pretty much as arms of Congress.

The Committee on Interstate and Foreign Commerce has been watching over the FAA and the CAB in this independent or quasi-legislative status. This committee did not testify on this bill.

Mr. Chairman, part of the ICC is also removed, transferred and split between the proposed Federal Rail Administra-

tion and Federal Highway Administration of DOT. These functions also come from an otherwise independent or quasi-legislative agency of the Government the independent agency which is now the ICC.

The Bureau of Public Roads comes under the Department of Commerce now, but its duties will move to the Department of Transportation.

This Bureau moves in the same way that the FAA will move, The Bureau of Public Works and the FAA will move in responsibilities only because they can be completely reorganized under the language of section 9(j), 6(a), 6(c) and 6(e) of this legislation.

Only the powers and duties of these two agencies are to be transferred. The Secretary is left with the right to reorganize them completely.

An amendment will be introduced to try to keep the organization of FAA and BPR unchanged after the transfer to DOT when we get to the amendments tomorrow.

But I would raise this point, Mr. Chairman. If the Merchant Marine and Fisheries Committee want the status of the Maritime Administration protected by moving it into an independent status, then it would seem to me that the Interstate Commerce Committee and the Public Works Committee might want to maintain the independent status of the FAA, the Bureau of Public Roads, the ICC, and some of the other agencies in which they are so involved.

The question was raised earlier about the use of user taxes in this area. Well, there was quite a bit of conflicting testimony, on whether or not ultimately the Secretary of the Department of Transportation might be able to redirect some of these user taxes from highway, to other areas of transportation investment after the creation of this department.

The question of cost has been raised in the organization of this new department. The way the bill is written there is no limitation on the kind of reorganization that the Secretary of the Department of Transportation could make in some of these presently independent agencies when they come under his jurisdiction. And so it would seem to me that the cost question is opened, therefore.

So what this bill does not do is coordinate the executive branch activities now related to transportation. It does not say anything about the transportation activities of the Post Office, Defense, Housing and Urban Development, State, Agriculture, and the other Federal departments. It only coordinates under the Executive and the Secretary of the Department of Transportation many of activities of Federal Government affecting the private sector of our economy by taking the present Government activities in this private-sector area which have traditionally been the prerogatives of Congress and moving them into the executive branch of the Government.

Section 7—and if you have heard of this bill at all before today you have heard of section 7—sees the Department of Transportation Secretary prohibited

from recommending standards and criteria in such executive branch areas of transportation as defense, post office, and so forth. But the Secretary of the Department of Transportation not only can recommend Federal investment in the private sector of transportation, he can set these standards. Under the way this law is drawn, Congress has nothing to say about it.

And the standards which the Secretary will set—make no mistake about it—will control much of the investment of Federal funds in the various areas of transportation.

Section 7(b)(1) on page 25, line 3 to 15, states that all reports prepared by other branches of the Government must conform to the standards and criteria which the Secretary sets, and so we will not have any "minority views" when the standards and the criteria are set.

Congress traditionally has made the final determinations on standards by which Federal investments and transportation policies are judged. Under this legislation the Congress will not make that final decision because there is no room for objection. The standards are set by the Secretary of the Department of Transportation, after he has recommended them to the President and the President has approved what they will be. Those people in private industry who testified did not object—and I do not object—to the Secretary developing standard and criteria and recommending them, as long as he recommends them to Congress for congressional action. But the Secretary does not recommend to Congress; he recommends to the President, and the President approves the Secretary's standards, not the Congress.

Holy Pedernales, Mr. Chairman. It looks like the Corps of Engineers' decisions are now going to be made in the White House.

The Corps of Engineers' standards and criteria, with the cost-benefit ratio, formerly were recommended to Congress and accepted or rejected. And here we had the upper hand because we were a branch of the Government against only an agency of another branch of Government. But now we will be a branch of Government, the legislative branch, directly up against the executive branch, and who will control? My guess is that it will be the Bureau of the Budget. They will recommend and control which standards and criteria we will follow. Because, remember, under this legislation, all reports must conform to those standards and criteria set by the Department of Transportation. The Congress, in the final analysis, will just send the money.

No such power was granted to the Secretary of Housing and Urban Development when that Department was created. As a matter of fact, it was not even conferred on the Department of Defense. But, as we know, the Department of Defense and even the Department of Agriculture, which was created in the last century, have given us recent examples of the Executive deciding on its own what it will do and will not do, regardless of congressional action to the contrary.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ERLBORN. Mr. Chairman, I yield the gentleman from Ohio an additional 5 minutes.

Mr. CLARENCE J. BROWN, JR. So, Mr. Chairman, we see the possibility of the Executive being able to set its own standards and criteria, and thus its own policies, and even the possibility of refusing to observe congressional policies.

I feel the integrity of Congress and perhaps even the balance of powers in the three branches of Government are at stake. If the Members believe this is not a political issue back home, then I suggest they discuss it with some of their constituents. People do not like their Congresses or their Congressmen to be merely rubber stamps for the executive branch of the Government.

In section 7(b), as noted earlier, other agencies are precluded from bringing in conflicting facts on transportation standards and criteria to those developed by the Secretary of Transportation. It will be somewhat like the good soldiers in the Defense Department, where they go along or get out.

The next step after this legislation is passed, as I see it, will be for the executive branch of the Government to submit a reorganization plan to bring in the rest of the activities now undertaken by Government in the transportation field. Thus the Department of Transportation Secretary will have the opportunity to be in fact a czar of transportation.

Perhaps it will be unnecessary to do that, however, because with Executive control of standards and criteria and Federal investments in rail, air, highway, and maritime activities, the rest of the areas in which Federal investments are made will be surrounded.

In my opinion section 7 should not be stricken from this legislation. It should be amended to say that Congress, and not the President, has the power to establish standards and criteria. An amendment will be introduced to this effect.

I believe it is enough for the Congress to yield the quasi-legislative, the quasi-judicial, and the quasi-administrative duties of the present independent agencies to the Executive, and for the Executive to have in this new Department a direct line of control into the presently independent agencies which now deal with transportation.

The independence of the CAB will be discussed later on, I am sure, but it has been alluded to by my colleague from Illinois. The independence of the CAB will be largely vitiated by the fact that the independence in the investigation of accidents will be lost, by bringing this activity under the Department of Transportation's Secretary, so that he will have the power to control the expenditures for this formerly completely independent accident investigation activity. CAB will not have the unfettered opportunity to criticize other transportation activities of the Federal Government under this bill.

Congress will not be a watchdog in such areas any longer, because there will not be the opportunity for divergent

views. So perhaps industries will speak up? There is no representation for a spokesman for any transportation industry in this bill.

What do the Assistant Secretaries and the Administrators do under this legislation? If anyone wants to find out, do not read the bill. We have to ask the author of the bill, because the bill is silent on this subject. The Secretaries are left in limbo, for the Secretary of Transportation to tell them what their assignment will be.

Research? Whom will we have appointed? A college professor? A labor union economist? Who will it be? It may not be—because the bill does not suggest that it will be—the representative of any mode of transportation. Who then suggests to the Federal Government with reference to transportation, and to whom do they suggest it? Apparently only to the Secretary himself. If there is a head of a trucking company who feels the Federal Government's policies are hurting his business, to whom does he go? He does not have any assured representation within the Department of Transportation and Congress does not determine standards and criteria for Federal investment any more.

H.R. 15963 is compromised in order to present to us a new model H.R. 13200, which was the original administration version. Frankly, it is just a little chrome added to the old steamroller.

There has been no industry testimony on H.R. 15963, and very little committee testimony, and very little testimony, for that matter, from the executive branch of the Government.

An allusion was made earlier to the Hoover Commission and the fact that the Hoover Commission recommended the formation of a Department of Transportation. I should like to clear up a point here, because my predecessor from Ohio in the seat I now hold was the author of the Hoover Commission and served on it. The Hoover Commission did not recommend the formation of a Department of Transportation. The Brookings Institute, which did the homework for the transportation area of the Hoover Commission, recommended the creation of a separate Department of Transportation. The Hoover Commission members turned down the idea and suggested that the Department of Transportation should be incorporated into the Department of Commerce.

And the first step was taken in that area. Do you Members know what went in? It was the merchant marine. What success has it had since the Maritime Administration went into that Department?

What this bill does is to give great powers from the Congress to the executive branch of the Government.

What it does not do is:

It does not spell out any transportation policy.

It does not solve transportation labor tie-ups. They are not even mentioned under this legislation.

It does not tell how highway carnage can be ended. It does put safety regulation in the new organization, but it does not say what we will do about it.

It does not improve the merchant marine at all. As a matter of fact, it leaves it at the same level as now, or below.

It does not help the sick and over-regulated railroads. But it gives the railroads two masters instead of one.

It does not attack the problem of aircraft noise, so that airports can be located where the people are.

It does not accept the responsibility it ought to have in regard to mass transportation.

The author of the bill says that this bill is "a new organization, a new framework, and a new posture of government—a willingness to look at many interrelated transportation problems in a comprehensive way with readiness to grapple with them—a broad and enduring foundation upon which a national transportation policy can be built."

It gives the power to the Executive to do that or anything he might want to. It does not do much else.

The President was somewhat more candid in his message on this bill when he said:

We have fallen short because our transportation system has not emerged from a single drawing board on which the needs and capacities of our economy were all charted.

Section 7 consolidates all the industry drawing boards of all the modes of transportation and moves them from the Congress to the White House.

Mr. HOLIFIELD. Mr. Chairman, I yield myself 2 minutes.

As I have listened to my good friend from Ohio [Mr. CLARENCE J. BROWN, JR.], I have been astounded by his approach to the bill. If I wished to stand up in the well of the House and mention 150 things that did not pertain to the legislation under consideration probably I could do so. Many of the things to which he referred require statutory changes by jurisdictional committees. It is not within the jurisdiction of this committee to go into the statutory changes over which other committees have jurisdiction.

This has been one of the guiding principles of our procedure, not to step on the toes of other committees.

The gentleman speaks about section 7. He speaks about giving power to the Secretary.

The first three lines of section 7 are:

The Secretary shall develop and from time to time in the light of experience revise standards and criteria consistent with national transportation policies,

That is on page 23. Now let us look at lines 10 to 16 on page 6:

Nothing in this Act shall be construed to authorize without appropriate action by Congress, the adoption or revision of a national transportation policy. Nor shall the Secretary promulgate investment standards or criteria pursuant to section 7 of this Act which are contrary to or inconsistent with Acts of Congress relating to standards or criteria for transportation investments.

Mr. CLARENCE J. BROWN, JR. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. They have to come back. They have to come back to this Congress to do these things.

Yes, I will yield to the gentleman.

Mr. CLARENCE J. BROWN, JR. How many of the standards and criteria for the investment made in transportation by the Federal Government are spelled out in existing legislation?

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. HOLIFIELD. Mr. Chairman, I yield myself 1 additional minute in order to answer the question of the gentleman.

All criteria and standards of investment that now exist still exist. No new ones will be allowed unless they are consistent with existing acts of Congress or, if they are not consistent with existing statutory acts of Congress, the Secretary has to come back to the Congress and get statutory enactment of the basic authority so that he can make rules, regulations, and criteria based upon that statutory authority.

Mr. CLARENCE J. BROWN, JR. But the Secretary has the power under the language of section 7 to set those standards and criteria any way he wants to, does he not?

Mr. HOLIFIELD. Yes, but not unless they are consistent with present statutes, criteria, and standards which have been approved by the Congress. If they go contrary to the existing statutes, then he has to come back to the Congress.

Mr. Chairman, I will pursue this further at another time, because I have now promised to yield 10 minutes to the gentleman from Wisconsin [Mr. REUSS], and I do so yield.

(Mr. REUSS asked and was given permission to revise and extend his remarks.)

Mr. REUSS. Mr. Chairman, I rise in support of H.R. 15963 to create a new executive Department of Transportation. This measure will provide coordination for the vast programs our Government is already engaged in the field of transportation and produce greater effectiveness in the solution of the many knotty transportation problems still remaining.

We have made remarkable progress in providing for the transportation needs of our country and its fast growing population on land, by water and in the air. The utter dependence of our economy and the welfare of the people on transportation systems is patently obvious. One-sixth of our gross national product is accounted for by transportation. But important as it is and as good as it is, it is not good enough.

In the words of our President in his message to Congress earlier this year:

It is not good enough when it offers nearly a mile of street or road for every square mile of land—and yet provides no relief from time-consuming, frustrating, and wasteful congestion.

It is not good enough when it produces sleek and efficient jet aircraft—and yet cannot move passengers to and from airports in the time it takes those aircraft to fly hundreds of miles.

It is not good enough when it builds super-highways for supercharged automobiles—and yet cannot find a way to prevent 50,000 highway deaths this year.

It is not good enough when public and private investors pour \$15 million into a large, high-speed ship—only to watch it remain idle in port for days before it is loaded.

It is not good enough when it lays out new freeways to serve new cities and suburbs—

and carelessly scars the irreplaceable countryside.

It is not good enough when it adheres to custom for its own sake—and ignores opportunities to serve our people more economically and efficiently.

It is not good enough if it responds to the needs of an earlier America—and does not help us expand our trade and distribute the fruits of our land throughout the world.

The President said that America today still lacks a coordinated transportation system that permits travelers and goods to move conveniently and efficiently from one means of transportation to another, using the best characteristics of each.

It is obvious to me, Mr. Chairman, that greater coordination in the system is required, but before that can ever be accomplished there must be coordination in the Federal Government's own programs to aid our transportation system.

This need for coordination is widely recognized. The Wall Street Journal has expressed its amazement that because of our uncoordination the Nation's transportation web is not in worse shape. The Journal, and I might say other respected voices, cry that this bill does not go far enough. All functions, they say, both promotional and regulatory, should be in the Department.

Our friends in the Republican Policy Committee support the establishment of a new department but with reservations concerning various features of the bill.

We all recall, of course, that President Eisenhower called for such a department.

There is, then, a widespread consensus on the basic question of coordination and that an executive department is the proper instrument for such coordination.

This House has only last week expressed its continuing and vital interest in transportation problems by passing the Motor Vehicle Safety Act and the Highway Safety Act, both of which will have a profound impact on the excessively high accident rate in our country. Safety will be a prime objective of the new department and for this reason alone the bill merits passage.

The gentleman from California [Mr. HOLIFIELD] has already detailed the composition of the new department. I will not repeat this to you. I think the organizational concept is sound from the point of view of proper governmental management. I do not think it is necessary or desirable to bring the regulatory agencies and their functions into the new department. These are quasi-legislative and quasi-judicial. They represent, as we all know, an extension of the power of Congress and carry on their activities better in independent status.

I would like to stress here two aspects of transportation not included in this bill. Many Members like myself are interested in the St. Lawrence Seaway and the promise this holds for the development of the trade and commerce of our inland States. Last Friday, 49 Members of both the House and Senate sent a petition to the White House requesting the President to postpone for a year any toll increases on the seaway so that Congress may have an opportunity to review our Government's role in financing and, we hope, strengthen the seaway by passing legislation to make permanent our Fed-

eral investment in that great development. In his message on transportation, the President proposed that the St. Lawrence Seaway Development Corporation be included in the new Department of Transportation. The Corporation was not put in the bill because legislation was not necessary to accomplish this transfer and the President could and would do it by Executive order after the Department has been established.

We believe this should be done and will be done by the President. We have been given a clear understanding on this question and have, therefore, not introduced an amendment to the bill such as has been proposed by a number of Members of the other body.

Furthermore, the importance of this great Corporation is such that when brought into the Department it should not be subordinate to any operating agency but should be on a par with the other operating agencies such as the Federal Railroad Administration, Federal Aviation Administration, Federal Highway Administration, the Federal Maritime Administration and the Coast Guard. We want the record being made here today to show that we have assurances from the White House that the St. Lawrence Seaway Corporation will not be downgraded in the new Department. It will continue as an operating agency and, as such, will report directly to the Secretary. Its needs will not, therefore, be lost sight of in the competition with other transportation requirements.

In submitting his proposal for a new Department of Transportation, the President did not include urban mass transportation. As all Members know, this program is now being administered by the Department of Housing and Urban Development. HUD is responsible for a unified Federal approach to urban problems. The Department of Transportation is responsible for a unified approach to transportation problems. Neither can work independently of the other in urban transportation. The two must participate in the important decisions that must be made, which will require the contribution and cooperation of both Secretaries. The President was unable to state with certainty at this time what the proper division of labor between the two Departments should be. He has said that after the new Department has been created he will direct the Secretary of Transportation and the Secretary of HUD to study the problem and recommend to him within a year the means and procedures by which the cooperation can best be achieved, not only in principle but in practical effect.

I believe the President has chosen a wise course. Urban mass transit is so intimately tied in with other urban problems that it seems to me that the program should remain with HUD. I do have an open mind, however, based on future developments after the new Department has been put into operation.

The Mass Transportation Act, now in conference between the Houses, not only increases the grant authorization but includes a proposal that I presented in committee directing the Secretary of

HUD in consultation with the Secretary of Commerce to prepare a program of research, development, and demonstration of new methods of urban transportation. We are seeking new breakthroughs in this tough problem for our hard-pressed cities. The solution will probably depend primarily on new and radically improved methods. We cannot now be sure that transferring this program to DOT will be the answer. We need action, fast action on these problems. It may cause some delay to move it over.

In the Housing Act of 1966 that has been reported and is pending for action in the House, we give to the Secretary of HUD authority to achieve coordination of Federal programs in metropolitan development by calling on other Federal agencies to supply such data as he considers necessary and we require those other agencies to cooperate with him in carrying out his responsibilities. This would naturally include urban transportation and it may well be that under this authority the Secretary of HUD could adequately fulfill his responsibilities in successfully meeting the urban mass transit problem.

Thus, a strong case can be made for keeping mass transit in HUD and it would indeed be precipitous for Congress to transfer it to the Department of Transportation at this critical time.

The legislation before us is among the most important the Congress will act on this year. I hope H.R. 15963 will be passed by an overwhelming vote.

Mr. CLARENCE J. BROWN, JR. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I yield to the gentleman from Ohio.

Mr. CLARENCE J. BROWN, JR. Is there anything in the language of the legislation which we now have under consideration which says or even indicates in any way that what the gentleman just said is so, that the President will ask the Secretary of the Department of Transportation and the Secretary of HUD to sit down together and make a study?

Mr. REUSS. No; there is no language in the act, but the President has strongly supported this. I have no doubt whatever, from my conversations with Secretary Weaver of HUD, that this study will probably be made and a recommendation made in no greater length of time than 1 year's time, and I would think the matter could then be resolved.

Mr. CLARENCE J. BROWN, JR. Mr. Chairman, will the gentleman yield further?

Mr. REUSS. I yield further to the gentleman from Ohio.

Mr. CLARENCE J. BROWN, JR. This is in the area then of faith, let us say? We just sort of take some of these things on faith that these will be done at some future date in all likelihood if things are right and if everyone is agreeable. And if there is no real objection at that time?

Mr. REUSS. I think we take this on a little more than faith, I will say to the gentleman from Ohio. In the first place, we have the considered and public statement of the President of the United States, and in the second place, Urban Mass Transit now is in the Department

of HUD, and any time the Members of the Legislature feel that it should be transferred over to Transportation or any place else this, of course, can be done.

Mr. Chairman, the President is acting in good faith when he says he cannot now determine where the public interest will best be served. I myself would have difficulty making that decision.

Mr. CLARENCE J. BROWN, JR. Mr. Chairman, will the gentleman yield further?

Mr. REUSS. I yield further to the gentleman from Ohio.

Mr. CLARENCE J. BROWN, JR. These statements are not binding upon a future President nor are they binding upon the Secretary of the Department of Transportation, should we establish this Department and a Secretary is appointed?

Mr. REUSS. No. All that the President has said is that he is going to ask the two Secretaries to make a study and report back to him with their recommendations within a period of a year. However, he could submit such official report to the Congress at any time when in his judgment it is ready. It is open to the Congress at any time to make its judgment.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I yield to the gentleman from California.

Mr. HOLIFIELD. Mr. Chairman, the gentleman is correct, and let me read the words of the President of the United States in his transmission of March 2 with reference to his message on the subject of urban transportation. He stated as follows:

Urban transportation.—The Departments of Transportation and Housing and Urban Development must cooperate in decisions affecting urban transportation.

The future of urban transportation—the safety, convenience, and indeed the livelihood of its users—depends upon wide-scale, rational planning. If the Federal Government is to contribute to that planning, it must speak with a coherent voice.

The Department of Housing and Urban Development bears the principal responsibility for a unified Federal approach to urban problems. Yet it cannot perform this task without the counsel, support, and cooperation of the Department of Transportation.

I shall ask the two Secretaries to recommend to me, within a year after the creation of the new Department, the means and procedures by which this cooperation can best be achieved—not only in principle, but in practical effect.

This is the President's intention. Of course, you cannot bind the actions of Presidents in the future, but we would not doubt the integrity of the President in saying what he wants to do because he is not only a man of integrity but it is also a matter of good sense.

We are looking at this problem in the cities within the confines of municipal areas. We have a special problem there which is completely different from the intercity transportation across the country from city to city.

They are studying this problem down there. They have already set up a group down there that are working on this problem and they are going to come back to us at the end of a year and give us a

report as to whether it should be in the Department of Transportation.

Maybe they will recommend that it should be in the Department of Transportation. Maybe they will recommend that it stay in HUD. But at least at that time they will have to come before the Congress—and if they do not come voluntarily, I will take the responsibility to ask them to come before my committee at the end of the year and give us their report. I think they will do this without any special urging because Mr. Weaver has told me he will be glad to come and report to us at the end of the year.

Mr. CLARENCE J. BROWN, JR. Mr. Chairman, I am glad to have the assurance of the gentleman in the well and of my colleagues from California and the assurances he read from the President. The only way we could tie this down any further is to write it into the legislation.

Mr. HOLIFIELD. Mr. Chairman, I understand the gentlewoman from New Jersey [Mrs. DWYER] has an amendment, or at least is trying to prepare an amendment. I might say I would not want to commit myself to it because I do not know what the wording will be. But we have had some very pleasant talks together about this amendment that the gentlewoman is working on and I am in accord with her purpose. If we can work something out that will be germane to the bill and properly placed within the bill, I would say at this time that I have no objection to the principle that is involved, although very frankly I think it is unnecessary. But I am of an open mind on the subject, I will say.

Mr. CLARENCE J. BROWN, JR. I think if we can get it into the legislation, we would all be satisfied.

Mr. REUSS. Mr. Chairman, if I may address myself to the point of urban mass transportation, which I know the gentleman from Illinois and the gentleman from Ohio and the gentlewoman from New Jersey are all intensely interested in, I would like to give my own personal view, as one who is also intensely interested in a breakthrough in urban mass transportation.

I would hope very much that the problem of urban mass transportation could stay in HUD, where it now is, for some time to come. I say that not because I am mortgaged to the Department of Housing and Urban Development, but because they are now seized of the problem. They have been working at it.

Mr. Chairman, just this week this body, with bipartisan support, passed the Mass Transportation Act of 1966, which I trust will become law very shortly, a key provision of which was to impose upon the Department of Housing and Urban Development the task of working out within the next 18 months a 5-year crash program of research and development and demonstration of wholly new systems of urban transportation.

I think many Members feel in their bones that new technology must be evolved if we are really going to untangle the traffic jams of our cities.

It would be a bad blow to the expediting of this program if the Department of Housing and Urban Development, which

has been working on this for many months and holding conferences with experts from all the great industries of our country and from our great universities, were suddenly to be divested of this jurisdiction, and if it should be lodged in the Department of Transportation or in some other place which, being a fledgling department, simply would not be set up to do it.

I am sure we would lose a couple of years of momentum which we so desperately need. I would hope my friends on the minority side would take that into account should they decide to offer an amendment on this point, and take into account the imperativeness of going forward with research and development on new systems of mass transportation.

Mr. ERLNBORN. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I yield to the gentleman from Illinois.

Mr. ERLNBORN. I think the gentleman would agree with me that if we have a crisis in transportation in this country, it is in the area of urban mass transportation. Our greatest problem lies right there.

Mr. REUSS. I completely agree with the gentleman.

Mr. ERLNBORN. Certainly any solution to that problem will have to be coordinated with our overall transportation system. We cannot ignore the modes of transportation that are bringing people and goods into the central cities, and any urban mass transit program that we develop must be coordinated with our system of highway, aircraft, railroad, and other modes of transportation.

Mr. REUSS. The gentleman is so right. Just as urban transport has to be coordinated with other forms of transport, so the forms of transport have to be coordinated with the transit problems of our cities. The two are really indistinguishable parts of a whole. If we follow logic on the subject, we would say, "Let us have just one glorious Cabinet department which will handle all our problems."

Inevitably there are overlaps. They can be settled only by sympathetic coordination. Whichever way this thing goes, a year from now it will be the job of the gentleman from Illinois, the gentleman from Wisconsin, and others to see that that coordination is obtained.

Mr. ERLNBORN. Mr. Chairman, will the gentleman yield further?

Mr. REUSS. I yield to the gentleman from Illinois.

Mr. ERLNBORN. The gentleman has made the point, and the point was made by administration witnesses in our hearings, that this is a new program. The Housing and Urban Department Act was passed only last year and that this is a new program. Therefore, we should let it grow where it is. Congress made a conscious decision to put it in the Housing and Urban Department program last year. Obviously the Congress was not presented with the choice last year of putting the urban mass transit program either in the Department of Transportation or in the Housing and Urban

Development Department, because we had no Department of Transportation.

The point I would like to make is that if this is a fledgling program which should not be ripped up by its roots, then what is the rationale behind taking the Northeast Corridor, the high-speed rail program, out of the Department of Commerce, which is also a new, fledgling program, ripping that up by the roots and putting it in the new Department?

Mr. REUSS. I will be glad to try to answer that question.

Mr. ERLNBORN. Let me suggest an answer, and that is that we are developing the personnel for this new program. If we are developing the personnel for a new program, why not let this personnel and the program be developed where the program will ultimately rest, instead of having it start here and then moving it over, with the resultant dismay to those involved in it?

Mr. REUSS. I think the gentleman begs the question when he says that the mass transit program will ultimately rest in the Department of Transportation. We do not know. I want to wait to see what the study develops a year from now. It did make sense, since the Department of Commerce was being very largely relieved of its transportation functions, to take the Boston-to-Washington high-speed railroad out of that Department and put it in Transportation. It is also true that the high-speed Boston-to-Washington railroad related to railroads generally in intercity transport, and it will go to the new Department of Transportation.

I think, however, there is a vital difference between that and urban mass transit, where we for several months have been getting started and are gathering momentum and building up a staff on urban mass transit.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. HOLIFIELD. Mr. Chairman, I yield the gentleman 1 additional minute, whether he wants it or not.

Mr. REUSS. I thank the gentleman, but I think I have divested myself.

Mr. HOLIFIELD. I would like to point out that on page 15 of the report the following statement appears:

The President has said he intends, upon the creation of the Department of Transportation, to ask the heads of the two Departments concerned to study and report within 1 year on a logical and efficient organization of urban mass transportation functions. It may well be that these functions will be lodged in the new Department. The committee considers that the President's proposed course is reasonable and that the final organizational decision on urban mass transportation should be deferred.

Until this study is completed.

Mr. REUSS. That says it in a nutshell. The matter should be deferred until we know what we are doing.

Mr. HOLIFIELD. We have no great conflicts in principle here.

Mr. REUSS. I thank the gentleman.

Mr. ERLNBORN. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. HORTON].

Mr. HORTON. Mr. Chairman and

Members of the Committee, I have considered it a privilege and a pleasure to serve on the Government Operations Committee under the chairmanship of the gentleman from Illinois [Mr. Dawson] and to work closely with the gentleman from California [Mr. HOLIFIELD] on the Military Operations Subcommittee.

Also I want to take this occasion to commend the gentleman from California [Mr. HOLIFIELD], and the gentleman from Illinois [Mr. ERLNBORN], for the very patient time that they have spent in bringing to the floor this very important piece of legislation. Knowing the gentleman from California, and having worked with him on the Military Operations Subcommittee of this committee, I know how thorough he is. I know, from having worked with Mr. ERLNBORN also on another subcommittee, of his thoroughness in this legislation. I know both of them have spent a great amount of time, as have other members of the subcommittee, in bringing this bill to the floor.

I want to indicate that I support the bill and I expect to vote for it.

I recognize that the establishment of a new department certainly creates problems, and this bill certainly does have some problems. I have signed the additional views, which are on page 79 of the report which accompanies H.R. 15963. I invite my colleagues to read those additional views, in which I was joined by seven other members of the minority. These views point out some of the problems with respect to this bill.

Also, Mr. Chairman, I intend to offer an amendment to promote labor-management harmony in the transportation industry which will direct the Secretary of Transportation to assist in promoting industrial harmony and stable employment conditions in all modes of transportation. The Secretary also would be responsible for informing the President of the status of labor-management contracts.

I am not suggesting another labor agency nor does the Horton amendment propose to interfere with or in any sense replace or duplicate the existing agencies concerned with labor-management relations.

My plan is an "early warning system," and my amendment would make constructive counsel available to labor and management before difficulties reach the point of work stoppages.

Collective bargaining is one of our fundamental freedoms. Government has a responsibility to help assure its vitality. Therefore, I believe our approach in Congress should avoid punitive actions that can only lead to erosion of this right. Rather, let us employ the resources of the Federal Government to induce cooperation and agreement.

Arthur Goldberg, when he was Secretary of Labor, expressed very well what I intend by my amendment. Speaking to the National Academy of Arbitrators at Pittsburgh in 1962, Mr. Goldberg said:

The government must give better aid to collective bargaining not only through improved good office and mediation procedures

but also through better and more precise economic data—data provided before the fact, not as a post mortem inquest; so as to assist settlements, not simply analyze them.

My proposal will offer this kind of aid through the Secretary of Transportation. Such impartial assistance would benefit both labor and management by advance detection of friction points. From this knowledge, I would hope the Secretary could work with the parties involved in a common effort to resolve problems before they grow, otherwise unattended, into crisis proportions.

The recent airline strike points up the fact that labor relations in the transportation industries are far from harmonious. Work stoppages in the airlines, railway, and maritime industries have occurred with some frequency. The railroads have had a bitter conflict regarding work rules. In the maritime industry, Taft-Hartley emergency disputes provisions have had to be frequently invoked, and with little success, for the strikes often went on after all the emergency procedures had been exhausted. Only in the trucking industry has there been relative quiet.

Since transportation has a crucial role in the Nation's economy, transport work stoppages are almost immediately a matter of national interest. If the strike is prolonged, the Government becomes more and more involved. Emergency boards and commissions are appointed. The public demands that something be done. Finally, if emergency procedures are exhausted, the only action remaining is for the President to act, or for special legislation to be passed.

In offering my amendment which directs the Secretary of Transportation to assist in promoting labor-management harmony in the Nation's transportation industries, I am impressed with the need to study labor legislation in the transportation industries. Such studies could deal with, for example, inconsistencies in the present law. The railroads and airlines are covered by the Railway Labor Act while the trucking and maritime industries come under the National Labor Relations Act, including the amendments enacted in the Taft-Hartley Act. The National Mediation Board and the National Railroad Adjustment Board are concerned with the railroads and airlines, while the trucking and maritime industries come under the jurisdiction of the National Labor Relations Board and the Federal Mediation and Conciliation Services.

As an article published 2 years ago points out:

... Even students of labor relations are puzzled by differences in emergency dispute clauses found in the Railway Labor Act as compared to the Taft-Hartley Act. The employment of a Taft-Hartley injunction, as compared to the appointment of an emergency panel under the Railway Labor Act, results in a different procedure and time period for a "status quo" on the issues.¹

Under both laws, however, transportation disputes have become what the

Secretary of Labor has termed "marathons of maneuver." At a 1963 meeting of the National Academy of Arbitrators, he said:

The last round of contract disputes in the airline industry (not yet quite completed) took over two years, and involved the President of the United States, the Secretary of Labor, the Under Secretary of Labor, the National Mediation Board, a Special Presidential Commission, nine Presidential Emergency Boards, and three Boards of Arbitration—a total of 36 public representatives.

(In) the recent longshore case, the public participants, during its twelve-month course, were the President, the Secretary of Labor, an Assistant Secretary of Labor, the Director of the Federal Mediation and Conciliation Service, his Deputy, fifteen FMCS mediators, a Taft-Hartley Board of Inquiry, the Attorney General, the Federal District Court, the Mayors of numerous port cities, a Special Presidential Board which was appointed but never convened, and another Special Board under the chairmanship of a U.S. Senator.²

Secretary Wirtz concluded then that "such a program of improvisation clearly offers nothing for the longrun future."³ The airline strike, and the uncertainty as to how it was going to be settled, appeared to bear out this conclusion. Therefore, it seems imperative that more workable and consistent means be devised to deal with labor disputes in the transportation industries. The present legal and administrative machinery is inadequate.

It is true that many legislative remedies have been suggested. They tend to be drastic—for example, compulsory arbitration—and/or hastily devised because they are usually the result of a transportation emergency brought on by a labor dispute. However, I feel an "early warning system" in the proposed Department of Transportation could help come up with solutions which were arrived at through careful study of the complex issues involved.

Legislation is, of course, not the only or final answer to labor disputes. Good will and effective communication between the parties involved are also necessary. My labor-management amendment, in fact, directs the Secretary of Transportation to assist in promoting better relations between labor and management in the transportation industries as a supplement to the good offices of the National Mediation Board and the Federal Mediation and Conciliation Service.

The major justification for assigning this new authority to the Department of Transportation would be to put increased emphasis upon a problem area in transportation. The first stated purpose of the Department of Transportation Act—H.R. 15963 as reported by the House Committee on Government Operations—is to provide leadership in identifying and solving transportation problems. I believe the Horton amendment could make a major contribution to this goal.

When it is offered, during the amending process, I urge my colleagues to sup-

port it so that we can have this additional tool in this crucial area.

Again may I state my belief in this bill. It is important for us to establish a Department of Transportation in order that we can have one uniform Federal policy respecting national transportation.

I believe it is in the national interest to have this Department. Even though we do have problems, which I am sure will be ironed out during the amending process, this is a good bill.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. HOLIFIELD. Mr. Chairman, I yield the gentleman 1 minute for the purpose of expressing my appreciation for the hard work that he has done on the Subcommittee on Military Operations, for his devotion to duty, for his attendance at the sessions, and for his always constructive approach to the problems which we have in that subcommittee. The gentleman knows how highly I regard his judgment. I will look forward tomorrow to seeing the context of his amendment, and I will give it every consideration that I can in relation to the integrity of the bill.

Mr. HORTON. Mr. Chairman, I thank the gentleman very much.

Mr. HOLIFIELD. Mr. Chairman, I yield 10 minutes to the gentleman from Virginia [Mr. HARDY].

(Mr. HARDY asked and was given permission to revise and extend his remarks.)

Mr. HARDY. Mr. Chairman, I have never been an enthusiast about increasing governmental agencies. In fact, on previous occasions, I have opposed the establishment of new Federal departments simply because of a desire to slow down, rather than accelerate, the pace at which governmental activities and bureaucracy are expanding.

All of us know that governmental agencies have a way not only of perpetuating themselves, but of expanding both their personnel and the areas of their jurisdiction. Frankly, I think that Government is much too big and I wish there were some way we could decentralize it. But I am also conscious of the fact that as our national economy becomes increasingly complex, centralized direction becomes increasingly necessary in some areas, especially those which require regulation.

The field of transportation is such an area. It was inevitable that there would have to be Federal regulation of transportation by rail, by air, and by water. It was equally inevitable that major responsibility for the planning and financing of roads and highways would have to be undertaken by the Federal Government as would the regulation of transport traffic over the Nation's highways.

Heretofore, these highly important elements of our transportation industry have been scattered in a wide variety of independent agencies and some have been parts of governmental departments where they have been comparatively insignificant subordinate elements. Transportation is a tremendously important part of our economy, and there is such an inseparable interrelationship

¹ Shils, Edward B. *Transportation's Labor Crisis*. Harvard Business Review, May/June 1964, p. 96.

² As quoted in Kaufman, Jacob J. *The Railroad Labor Dispute: a Marathon of Maneuver and Improvisation*. Industrial and Labor Relations Review, January 1965, p. 196.

³ Ibid, pp. 196-197.

among the differing but competing modes of transport that a coordinating authority is needed. Such coordination, it seems to me, can best be provided by a new Federal department, headed by a Secretary with Cabinet status.

During committee consideration of this bill, my colleague, the gentleman from Maryland [Mr. GARMATZ] and I offered an amendment which was adopted by the committee that will leave with the Interstate Commerce Commission its present powers and functions in railroad "car service" matters. I consider this to be one of the more important amendments made in committee because such matters which often involve quasi-judicial determinations should be left with the Interstate Commerce Commission.

There is much more to "car service" than getting freight cars to points at which they are needed. Numerous provisions of the Interstate Commerce Act vest the Commission with certain powers and authority over "car service." Some of those sections apply only in times of car shortages or emergency conditions, while other sections have general application and apply to the everyday operations of the railroads. All of these sections are, in a sense, interrelated and deal directly with the economic regulation of the railroad industry. In addition, car service, in its broad sense, includes such matters as demurrage, or car detention, and charges for these, along with the rules, regulations, and practices affecting such charges, are published in public tariffs.

Thus, the so-called car service functions reach deeply into the economic regulation of the railroad industry. Such economic regulatory matters should properly rest with the Interstate Commerce Commission and should not be placed in the hands of an executive or purely administrative agency.

Another point I want to discuss has to do with the placing of the Maritime Administration within the new Department.

I have the honor to represent a district where transportation is a major industry. My district is a maritime district. We boast the finest harbor in the world—Hampton Roads. We also pride ourselves on unexcelled shipping and shipbuilding facilities, as well as personnel who are outstanding in maritime services and operations. The first job I had after graduation from college was with a steamship agency. Through the years I have learned the importance of shipping to our Nation—the importance of our merchant marine, not only to the economy and commercial well-being of our country, but as an urgent requirement of our national defense.

In recent years I have been deeply concerned about our merchant marine, about the way it has been neglected, about our failure to pursue the policy officially set forth in our Merchant Marine Act. I shall not attempt to place the responsibility for this, but you and I have witnessed a rapid decline in the American merchant marine. We are not operating the ships that we should be operating. We have lost our position of leadership. Not only are we not operating the number of ships we should be

operating, but we are not keeping our fleet modern—we are not building the ships we ought to be building. In short, although there is statutory authority to make the American merchant marine second to none, that statute is not being carried out.

Who can say how much of this is due to the fact that the Maritime Administration is just a little wheel in the big Department of Commerce? Who can say whether the lack of emphasis on new ship construction is due to disinterest on the part of the Secretary of Commerce or to the inability of the Administrator of the Maritime Administration to secure the kind of support he has needed?

Let me comment briefly on the proposal advanced by some of our colleagues to establish an independent maritime agency outside the Department of Transportation. I know that they are motivated by an earnest desire to try to promote our Nation's maritime interests and to try to restore Maritime to its proper place in our national picture.

I, too, share that desire, but I am convinced that the best way to accomplish that objective is to make the Maritime Administration one of the major components of the new Department of Transportation. Then that new component should be staffed by aggressive, competent top-level personnel who can enlist the full cooperation and support of the Secretary, and through him have access to the White House and employ persuasion with the Bureau of the Budget.

Unfortunately, none of us can say with certainty where Maritime would function best. It is a matter of judgment. But in recent years we have witnessed the transition of a number of agencies from independent status to constituent parts of two new Departments. I believe that the lines of communication for these constituent agencies have been improved and I think the voice of Maritime would be stronger when the needs of our merchant marine are expressed by a Cabinet officer instead of merely by an agency administrator.

Under the bill, the Federal Maritime Commission would retain its independence as a quasi-judicial agency just as the ICC and the CAB would. This is entirely proper, and quasi-judicial functions should be separated from the responsibilities of the Secretary of Transportation. There is some question in my mind about the desirability of including in the new Department the responsibility for determining maritime subsidies which are of a regulatory nature, and may involve quasi-judicial determinations. It is my understanding that an amendment to establish an independent subsidy board may be offered, and as I understand that amendment, it seems to me to be a desirable one.

All in all, I think the bill before us justifies support, and that the administrative functions of the agencies which it embraces, including Maritime, can best be discharged by the new Department headed by a Secretary with Cabinet status.

Mr. DOWNING. Mr. Chairman, will the gentleman yield?

Mr. HARDY. I am happy to yield to the gentleman from Virginia.

Mr. DOWNING. Mr. Chairman, I compliment my beloved friend on his fine talk, but I must say that it is the first time in a long time that I must respectfully disagree with him.

Mr. HARDY. That does not make the gentleman right.

Mr. DOWNING. That does not make the gentleman in the well right either.

Does the gentleman believe it was wise when we passed Reorganization Plan No. 7 and we were told it would be helpful to the merchant marine—for you will recall that this was when they placed the merchant marine under the Department of Commerce and great things were supposed to happen to the merchant marine—but they have not. Would the gentleman agree with me that that was a mistake?

Mr. HARDY. Insofar as subsidy determinations are concerned, I am inclined to think that they should never have been placed in an administrative agency. I had some questions about that at the time.

I had some questions about this particular aspect of the matter at the time. As I recall it, when the reorganization plan was considered by our committee, I raised some questions about it. I think, however, we were given assurances that there would be adequate safeguards. I am not at all sure that it has worked as it should have. However, let me say this to my friend, I do not think the problem with our merchant marine stems from the fact that it is in the Department of Commerce, I think it stems from the fact that there has not been enough interest in the executive branch of the Government to give us the kind of merchant marine we should have had.

I put an editorial from the Norfolk Virginian Pilot newspaper in the RECORD yesterday. That editorial wound up with this observation, which I think is a very valid one:

It is ultimately a Presidential responsibility.

If we have Presidential support for a sound merchant marine that would be our national policy. It does not make too much difference whether it is in the Department of Commerce or in a new department or whether it is an independent agency.

Without that we are still not going to get the kind of merchant marine we ought to have.

Mr. DOWNING. Mr. Chairman, in that respect I am very much in accord with the gentleman.

However, I am fearful that placing the merchant marine administration in the Department of Transportation will have the same result as when we placed it in the Department of Commerce and nothing good will come out of it. In my opinion, it is like transferring a body from one grave to another.

Mr. HARDY. Mr. Chairman, let me comment just briefly on that, if I may. Actually as I stated a moment ago, I do not think it makes too much difference where it is. If it does not have support in the highest administration circles,

Maritime is not going to get its place in the sun. However, a fault that I find with the present situation relates to the making of subsidy determinations which to my mind does have some quasi-judicial aspects. I think if that were removed from the administrative agency, it would be an improvement. However, I do not think the fact that this was placed in the Department of Commerce is responsible for all the ills of the merchant marine today.

The real trouble is that Maritime has not had the blessings of the top administrative people.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. HARDY. I yield to the gentleman.

Mr. HOLIFIELD. Mr. Chairman, I agree with the gentleman completely on his analysis of the plight of the maritime program.

Now it is well to go into some history. The gentleman from Virginia [Mr. HARDY] back in 1950, I believe it was—his committee made a complete analysis or scrutiny of the action of the Maritime Administration and came up with an interesting report. So interesting in fact that when Reorganization Plan No. 21 of 1950 came before us, there was not a disapproving resolution filed by the members of the Committee on Merchant Marine and Fisheries or any other Member of the House of Representatives and it automatically became the law.

Then, again, when Reorganization Plan No. 7 was considered, which was in 1961, our departed friend, the Honorable Herbert Bonner, came to our distinguished chairman, the gentleman from Illinois [Mr. Dawson], and expressed his interest in the matter. The Committee on Government Operations voted to table the disapproving resolution introduced by the gentleman from Connecticut [Mr. Monagan] at that time, and the matter was brought up on the floor on the motion of the gentleman from Iowa [Mr. Gross], and in the debate on the floor Representatives Celler and Bonner strongly supported the reorganization plan.

Mr. HARDY. The gentleman is correct in his recollection that a subcommittee which I headed in 1949 and 1950 did make an extensive study of the Maritime Commission as it was then operating. I do not know whether our study had anything to do with the reorganization plan that was subsequently offered or not. I do know, however, that there were some shortcomings in the administration of the maritime program at that time and there was serious need for improvement. I cannot say whether there is any relationship actually between the reorganization plans of 1950 and 1961 and the deplorable situation in which Maritime now finds itself.

I am inclined to think its present plight is due more to neglect and disinterest in high places than anything else.

Mr. LENNON. Mr. Chairman, will the gentleman yield?

Mr. HARDY. I yield to the gentleman from North Carolina.

Mr. LENNON. I direct my remarks to the gentleman from California, who commented on the statement and position

taken by a former beloved friend and chairman of the Merchant Marine Committee, and call the attention of the House to the fact that the last official act of the late Herbert Bonner was to stand in the well of this House, after the introduction of a bill calling for the establishment of an independent maritime agency, and making the statement that he had made a grievous and grave mistake when he supported Reorganization Plan No. 17 in 1961, just to keep the record straight.

Mr. HARDY. I recall that that is an accurate portrayal of the situation. Whatever we do, Mr. Chairman, I think all of us are interested in improving the status of our American merchant marine. That is certainly my motivation.

Mr. LENNON. Mr. Chairman, will the gentleman yield further?

Mr. HARDY. I am glad to yield to the gentleman from North Carolina.

Mr. LENNON. Going back to Reorganization Plan No. 21 in 1950, which moved the Maritime Administration from an independent agency into the Department of Commerce, at that time under the Reorganization Act there was created in the Department of Commerce the position of Under Secretary of Commerce for Transportation. That particular reorganization plan spelled out the responsibilities of the Secretary of Commerce to establish and promulgate a policy on transportation. It has not been done yet, and the gentleman knows it.

Mr. HARDY. I must comment on that briefly.

Mr. HOLIFIELD. I hope the gentleman's comment will be brief, because I have an agreement for the Committee to rise at 5:30.

Mr. HARDY. That being the case, I will withhold the comment.

(Mr. HARDY asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The gentleman from Illinois is recognized.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. ERLBORN. I yield to the gentleman from California.

Mr. HOLIFIELD. If the gentleman can conclude with his present commitments to speak before 5:30, I will ask that the title be read and then move that the Committee rise.

Mr. ERLBORN. I do not believe I have more than 20 minutes of time requested.

Mr. HOLIFIELD. I thank the gentleman.

Mr. ERLBORN. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. Chamberlain].

Mr. CHAMBERLAIN. Mr. Chairman, I rise in support of the creation of a Department of Transportation and the continued operation of the Coast Guard as a legal entity within it. I have asked for this opportunity to speak not only to voice my own support but to try to allay any apprehension there might be about uprooting this service originally established as a part of the Treasury Department by Alexander Hamilton in 1790. I speak as one who has served 4 years with the Coast Guard during World War II and also from my experience as an officer of the Coast Guard

Reserve. I am pleased that those entrusted with maintaining the traditions of the Coast Guard have expressed full support for the transfer of the Coast Guard to the new Department of Transportation. In testifying before the Committee on Government Operations, Vice Adm. William D. Shields, former Assistant Commandant of the U.S. Coast Guard, stressed five special advantages accruing to the Coast Guard by this transfer:

First. The Coast Guard will be a part of an executive department whose sole objective is in an area in which the Coast Guard operates continually, that is transportation and transportation safety.

Second. The Coast Guard will be in the mainstream of development of national transportation policy.

Third. Coast Guard prestige at international conferences dealing with transportation will be enhanced by the Coast Guard being an integral part of the Department of Transportation.

Fourth. The resulting closer relationships with other elements in the Department of Transportation will improve Coast Guard capabilities.

Fifth. Coast Guard personnel would serve in positions within the Department of Transportation at high levels of policymaking and administration.

It is further to be stressed that the Coast Guard is the only Government agency being brought into the new Department which is to preserve its identity as a separate unit. As the committee report specifically points out on page 24:

So far as the Coast Guard is concerned, while it has a traditional link to the Treasury Department, its primary civil functions relate to maritime and to some extent air transportation. Now that a separate Department of Transportation is being set up, that Department is the logical home for the Coast Guard which, under the bill, would still remain as a separate unit in its present form.

It is essential that in view of the fact that during wartime the Coast Guard becomes a military service under the operational control of the Navy that its status as a complete entity should and must be maintained at all times.

That the Department of Transportation is the new, natural home for the Coast Guard is especially appropriate since the Coast Guard is the agency of the Federal Government principally responsible for safety in the maritime field. As transportation safety is to be a particular concern of this new Department it is imperative that the Coast Guard have an effective voice in policy questions affecting standards and procedures regulating our sealanes. As Vice Adm. Paul E. Trimble, at the time Chief of Staff of the Coast Guard, testified before the other body:

Because of our important missions in the search and rescue field and the aids to navigation field, and the maritime safety field, and others, it was apparent from the outset that the Coast Guard is an essential member of the Transportation family.

Speaking for the Coast Guard Admiral Trimble added:

I think we would feel like we were a second cousin if there were a Department of Transportation . . . considering transportation

policy, transportation long range planning and research—(and) we were on the outside and not a part of it because of the part that we do play.

Mr. Chairman, I am satisfied that the relocating of the Coast Guard within the Department of Transportation will not adversely affect Coast Guard operations. Furthermore, there is a strong indication that it would actually be detrimental to the service and to the Nation if it were left out. I, therefore, support and urge my colleagues to support this section of H.R. 15963.

Mr. SICKLES. Mr. Chairman, a highly mobile population is probably the most distinctive feature of modern American society. Transportation today accounts for one-sixth of our \$700 billion gross national product. It is therefore anachronistic and wasteful to maintain the current overlapping and uncoordinated collection of Federal transportation agencies. Valuable streamlining will be achieved by passage of the Department of Transportation Act of 1966.

This act creates a Cabinet-level Department with operating divisions embracing the major modes of travel. The Department will coordinate the 100,000 Federal personnel employed and the \$6 billion in Federal tax funds spent annually for transportation.

In the long run, this consolidation will save the taxpayers' money. The Bureau of the Budget believes that budgetary economies, such as more effectively used computers, will completely offset within 2 to 3 years the cost of creating the Department.

All transportation problems will be more effectively attacked within the framework of the Department of Transportation. But one problem in particular will be given vitally needed special attention. A National Transportation Safety Board will work within the Department to try and awaken the American people to the high rate of transportation accidents.

Last year, 1,365 Americans died in Vietnam. The public was understandably concerned by each death. But where was the corresponding public concern for the 49,000 Americans who died in auto accidents during the same year?

Hopefully the National Transportation Safety Board will be able to break through the high wall of public apathy which currently surrounds this problem. This Board will carefully investigate the causes of accidents and then recommend appropriate legislation to Congress.

The Department of Transportation will also formulate consistent Federal policies governing investment in transportation facilities, just as the Water Resources Council now develops investment standards for water resource projects. Clear standards are needed to meaningfully evaluate the hundreds of transportation proposals brought before the Government each year.

The creation of a Cabinet-level Department is a large undertaking. But when 2.5 million Americans earn their living by moving people and goods, a large undertaking is required. Although we sometimes wish we could, it is impossible to go back to that period in

history when only five Cabinet-level Departments were sufficient to run the affairs of this Nation. The Department of Transportation is necessary to help us keep pace with the growing complexity of modern life.

Mr. ERLÉNORN. Mr. Chairman, I yield 15 minutes to the gentleman from Alabama [Mr. EDWARDS].

Mr. PELL. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Mr. HOLIFIELD. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. PRICE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 15963) to establish a Department of Transportation, and for other purposes, had come to no resolution thereon.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Arrington one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 14526) entitled "An act making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1967, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 14921) entitled "An act making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, offices, and the Department of Housing and Urban Development for the fiscal year ending June 30, 1967, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. Con. Res. 90) entitled "Concurrent resolution to authorize printing of additional copies of hearings."

The message also announced that the Senate insists upon its amendments to the bill (H.R. 8989) entitled "An act to promote health and safety in metal and nonmetallic mineral industries, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. YARBOROUGH, Mr. MORSE, Mr. RANDOLPH, Mr. PELL, Mr. NELSON, Mr. KENNEDY of New York, Mr. JAVITS, Mr. PROUTY, and Mr. FANNIN to be the conferees on the part of the Senate.

CORRECTION OF VOTE

Mr. CAMERON. Mr. Speaker, on roll-call No. 238, today, I am recorded as

voting "yea." I voted "nay." I ask unanimous consent that the permanent RECORD be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

THE ACTIONS OF MR. HAROLD HOWE II

(Mr. O'NEAL of Georgia asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include extraneous matter.)

Mr. O'NEAL of Georgia. Mr. Speaker, my colleagues will recall that during the recent debate on the Civil Rights Act of 1966, several Congressmen brought to the attention of the House the high-handed, tyrannical, inconsistent, illogical and even illegal actions of Mr. Harold Howe II.

Now, I have news for the Members that the constitutional guarantee of a free press has been dealt a shattering blow in the State of Georgia by four junior bureaucrats from the U.S. Office of Education.

It has come to my attention that a four-man team from the Office of Education has been visiting with boards of education throughout Georgia telling them what must be done if they are to continue receiving Federal aid.

Despite the fact that the State of Georgia has an open-meetings law, and ignoring the first amendment to the U.S. Constitution, these representatives of the Federal Government have refused to meet in the presence of accredited news reporters. Members of the press have been expelled from meetings they have a legal right to attend. While the local school boards have defended the people's inherent right to be informed, the press has been barred at the demand of four political hacks, who were, on their own admission, carrying out orders from Washington.

These four men have stormed through Georgia with the diplomacy of a buzzsaw, disrupting our local communities and flouting the State's open meetings law. The team spokesman, who identified himself as James Rich, has taken the position that meetings between his uninvited group and local school officials can be compared to a jury session in which matters are understandably discussed behind closed doors. At least one school official told this emissary that he was not serving on a jury but rather attending a public meeting to handle public business.

Mr. Speaker, just in case any of my colleagues are wondering at this point why the local school officials and representatives of the press stood for such capricious and arbitrary treatment, I would like to remind my friends that the Office of Education holds a big stick over the heads of our educators. Through a bureaucratic interpretation of the Civil Rights Act of 1964, our school boards are forced to bow and scrape to each and every silly demand of King Harold Howe II, and his numerous lackeys or face the withdrawal of Federal

aid. Such action has served to strengthen rather than soften resistance toward the desegregation guidelines in the South.

The Georgia Press Association, which represents 227 newspapers in the State, has adopted a resolution expressing the indignation of the fourth estate. I have in my possession a copy of this resolution and selected editorial comments from the Georgia press which I would like to share with my colleagues.

Mr. Speaker, I ask permission at this point in the RECORD to extend my remarks and include extraneous matter.

A RESOLUTION ADOPTED BY THE GEORGIA PRESS ASSOCIATION

Whereas the Georgia Press Association, representing 227 newspapers in the state believes the public has a right to know about all matters of the public's business, and,

Whereas the newspapers uphold the inherent constitutional right of the people to be represented in meetings wherein are discussed matters of vital public concern and interest, and,

Whereas the laws of the State of Georgia provide that public bodies, including boards of education hold open meetings and maintain open records, and,

Whereas the representatives of the U.S. Department of Health, Education and Welfare are currently holding meetings with local school boards in Georgia for the purpose of resolving difficulties with regard to desegregation of school systems, a subject of vital public interest, as acknowledged by the Department of Health, Education and Welfare itself, in specifically recommending certain steps to encourage community support for its student-teacher transfer policies, namely "meeting with civic groups, parent groups and church groups and the like to express the purposes and nature of the desegregation plan and transfer policy encouraging public officials and other community leaders to make public statements and otherwise provide for the desegregation plan and transfer policy" and,

Whereas certain representatives of the Department of Health, Education and Welfare, including one James Rich, have arbitrarily refused to permit representatives of newspapers and other media, as well as interested private citizens, to attend various local meetings of representatives of the Department of Health, Education and Welfare and local school boards when matters of guideline compliance were discussed, and,

Whereas said James Rich claims to have been instructed by superiors in Washington to discuss the above matters only in closed meetings, and,

Whereas the Georgia Press Association feels the public interest and orderly transition of Georgia's public school system can best be served in an atmosphere of free discussion, free exchange of ideas, open meetings and trustworthiness on the part of representatives of the Department of Health, Education and Welfare: Now, therefore be it

Resolved, That the Georgia Press Association strongly protests the action of said James Rich and other representatives of the Department of Health, Education and Welfare and hereby calls on the executive branch of the government and the Secretary of the Department of Health Education and Welfare to instruct its representatives to cease the policy of secret meetings and abide by the laws of the state providing for free and open meetings of its respective school boards; be it further

Resolved, That copies of this resolution be provided the Executive Department, the Department of Health, Education and Welfare, the Georgia Congressional delegation, the

National Newspaper Association and all members of this association and respectfully request that this resolution be acknowledged.

Adopted unanimously this 13th day of August, 1966 by the Board of Managers of the Georgia Press Association, Atlanta, Ga.
ROBERT D. FOWLER,
President.

Attest:

GLENN MCCULLOCH,
Secretary.

[Editorial from the Dawson (Ga.) News, Aug. 18, 1966]

SCHOOL BOARDS AND HEW

School boards in Georgia which signed the new federal desegregation compliance forms with exceptions are finding themselves in pretty much of a predicament after all.

A team of four federal representatives—three white men and one negro—from the Office of Education are visiting the boards of education in those counties, telling them what they must do if they are to continue receiving federal aid.

In accounts of all the visits to boards which we have read or heard about, the press has been expelled though the federal Constitution and the laws of the State of Georgia provide that public meetings are open to the press, unless, of course, the national security is involved.

The expulsion has not been a decision of the county boards. The federal team simply has refused to discuss their business in the presence of the press.

In our judgment this is a flagrant violation of the American concept that the people have a right to know from an agency of our government which should be more concerned, above all else and all others, with compliance of the basic law of our country and a statute of the State of Georgia.

In effect, if not in reality, it would appear that the Office of Education considers itself above the law and that it has the self-appointed right to be prosecutor, judge and jury approaching a dictatorship.

It is indeed, a sad commentary on justice, when an agency of the government comes into a county and attempts to compel a school board to comply with an arbitrary ruling and then flouts the very law it is supposed to represent.

This team from Washington probably will skip Terrell County. Our County Board of Education declined to sign the new compliance form, largely as its only means of expressing disapproval. The board previously had agreed to desegregate the county school system under a "freedom of choice" plan which gave all school children equal opportunity. This, as we understand it, is all that the law requires and our county board of education was well within bounds in refusing to accept a mandate which could and no doubt would lead to more harassment and more stringent demands.

While we have little doubt as to the ultimate outcome of desegregation in our schools as well as those throughout the state and nation, we cannot help but commend our county board of education on the position it has taken. As honorable men who are trying as best they can to adjust a school system to a difficult if not unreasonable situation, they were left with no alternative and time has proven the justification of their decision.

Elsewhere in the columns of this issue are editorial comments of other Georgia newspapers who, like ourselves, are protesting the violations of the freedoms conferred upon the press and the public by an agency of our own government.

When the time comes that the government cannot discuss its affairs with and before the people, we begin to have fears of the future.

[Editorial from the Griffin (Ga.) Daily News, Aug. 12, 1966]

GRIFFIN DAILY NEWS STRONGLY PROTESTS CLOSED MEETING

The Griffin Daily News today protected the closing by federal officials of their meeting with the Griffin-Spalding County Board of Education.

Editor Quimby Melton, Jr., took two actions. One, he protested the closed meeting to the Georgia Press Association with the request that it take immediate action to do whatever it can to see that public meetings of this kind are open to the public in the future. Two, he sent the following telegram to the Secretary of the Department of Health, Education and Welfare in Washington, with a copy to United States Senator HERMAN TALMADGE with the request that the Senator "see that it reaches the Secretary."

"Last night four representatives of the U.S. Office of Education, a unit of your department, met with the Griffin-Spalding County Board of Education to discuss compliance with desegregation guidelines. James Rich served as spokesman for your officials. The meeting was held in a public building and was open to the public. Shortly after the board opened the meeting, Mr. Rich informed it that he had been instructed from Washington to meet with members of the school board only. The Chairman of the Board of Education stated that it was the board's desire that the meeting be open to the public and visitors be allowed to remain. However, Mr. Rich insisted upon his position and two representatives of the press and at least one person who was attending as an interested citizen withdrew. The meeting then proceeded. The Griffin Daily News protests vigorously the action of your representatives in forcing the closing of the meeting which was for the express purpose of discussing a public matter in a public building. Further, the Griffin Daily News respectfully but emphatically requests that personnel of your department be instructed that public matters of public concern should be open to the public.

—QUIMBY MELTON, Jr., Editor.

[Editorial from Swainsboro (Ga.) Forest-Blade, Aug. 10, 1966]

LITTLE BIT OF AMERICA

(By Bill Rogers)

Nations do not die in a blinding flash. They quietly rot from within.

History has never recorded an occasion when a malignant growth in peoples' principles and ideals has run rampant through the bloodstream of a nation and rotted its heart out in a matter of hours.

Rather, nations die bit by bit, in small ways that at the moment seem inconsequential and unimportant.

America died a little bit in Swainsboro Monday afternoon.

At least an official of the U.S. Department of Health, Education & Welfare dropped the guillotine on a part of our nation's heritage when he totally rejected the concept that a free people have the right to know.

This government official was here with other representatives of "HEW" to attend a specially called meeting of the Emanuel County Board of Education. Purpose of the meeting was to give Health, Education & Welfare the opportunity to outline to the County Board what is expected of it in regard to the continued desegregation of the county's school system this fall.

The Forest-Blade was represented at the meeting of these two public agencies, a right guaranteed by Georgia law and in keeping with principles set forth by our nation's founding fathers.

15. TRANSPORTATION. Concluded general debate on H. R. 15963, to establish a Department of Transportation. This bill will be open for amendments on Tues. pp. 20053-72
16. INTEREST RATES. Several Representatives spoke against "high interest" rates. pp. 20046-7, 20072-3, 20075-7, 20138-9
17. FARM PRODUCTION. Rep. Haley inserted an article, "Scraping Out the Bins," pointing out that "for the first time in more than a decade our Nation is depending almost entirely upon its current production of farm products to meet our domestic and foreign requirements" and that soon we must consider "unleashing" the farmer to produce what supply requires. p. 20073
18. WATER RESOURCES. Rep. Stubblefield inserted Vice President Humphrey's speech at the dedication of the Barkley Dam in Kentucky. pp. 20073-4
19. INFLATION. Rep. Cameron urged action now to curb inflation. pp. 20074-5
20. FARM POLICY. Rep. Quie criticized farm policies which have been "utilized to hold down farm prices." pp. 20075-6
21. WHEAT. Rep. Langen pointed out that while "wheat acreage for next year has been increased almost one-third...farmers still have no assurance that they will receive fair or adequate prices for their production." p. 20077
22. WATER POLLUTION. Rep. Vivian inserted the first in a series of articles on the consequences of water pollution in Lake Erie. pp. 20144-5
23. TEXTILE IMPORTS. Sen. Curtis discussed U. S. textile import policy and recommended "phasing out" the long-term arrangement regarding international trade in cotton textiles. Several other Senators debated textile import policy. pp. 20077-115, 20047-53

ITEMS IN APPENDIX

24. INTEREST RATES. Extension of remarks of Rep. Roudabush stating that "interest rates in the Nation have reached the highest level in 40 years under the Johnson-Humphrey administration", and inserting an article on this subject. pp. A4563-4
Rep. Fisher inserted an article, "Controls for Interest Rates." p. A4564
25. CONSUMERS. Extension of remarks of Rep. Rosenthal favoring the establishment of a Dept. of Consumers to provide for the effective representation of the economic interests of the consumer at the Federal level. p. A4569
26. WATER POLLUTION. Rep. McCarthy listed six major steps which have been taken in the past two years to attack the acute problem of water pollution. p. A4570
27. BARLEY. Extension of remarks of Rep. Berry stating that the "South Dakota barley growers face a new 'pay cut' under a little-noticed action in the Department of Agriculture." p. A4577

BILLS INTRODUCED

28. FORESTS. H. R. 17389 by Rep. Cohelan, to establish certain policies with respect to certain use permits for national forest lands; to Agriculture Committee.
29. PROPERTY. H. R. 17398 by Rep. Monagan, to amend section 201(c) of the Federal Property and Administrative Services Act of 1949 to permit further Federal use and donation of exchange sale property; to Government Operations Committee.
30. LABELING; SAFETY. S. J. Res. 190 by Sen. Magnuson, to establish a National Commission on Hazardous Household Products; to Commerce Committee. Remarks of author pp. 20150-1

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COMMITTEE HEARINGS AUG. 30:

Standards for fruit and vegetable containers, S. Commerce (Dimond, C&MS, to testify)
Cancellation of valueless mortgage liens and repeal of ACP small-payment increase,
H. Agriculture.
CCC dairy products for school lunch programs, H. Education.
Packaging and labeling, H. Commerce.
Foreign aid authorizations, conferees (exec).

oOo

Mr. Fisher with Mr. Poage.
 Mrs. Hansen of Washington with Mr. Purcell.
 Mr. Rhodes of Pennsylvania with Mr. Van Deerlin.
 Mr. McVicker with Mrs. Thomas.
 Mr. Moorhead with Mr. Sickles.
 Mr. Murphy of Illinois with Mr. Scott.
 Mr. Ottinger with Mr. Rostenkowski.
 Mr. Murray with Mr. Senner.
 Mr. Olson of Minnesota with Mr. Love.
 Mr. Long of Maryland with Mr. Stephens.
 Mr. Fraser with Mr. Long of Louisiana.
 Mr. Tuten with Mr. Schisler.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

PROVIDING FOR FURTHER EXPENSES OF CONDUCTING STUDIES AND INVESTIGATIONS AUTHORIZED BY HOUSE RESOLUTION 84

Mr. FRIEDEL. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 1904) on the resolution (H. Res. 714) to provide for further expenses of conducting studies and investigations authorized by House Resolution 84 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 714

Resolved, That for the further expenses of conducting the studies and investigations authorized by H. Res. 84, Eighty-ninth Congress, incurred by the Committee on Foreign Affairs, acting as a whole or by subcommittee, not to exceed \$75,000, including expenditures for the employment of experts, clerical, stenographic, and other assistance, shall be paid out of the contingent fund of the House on vouchers authorized by such committee or subcommittee, signed by the chairman of the committee, and approved by the Committee on House Administration.

SEC. 2. No part of the funds authorized by this resolution shall be available for expenditures in connection with the study or investigation of any subject which is being investigated for the same purpose by any other committee of the House, and the chairman of the Committee on Foreign Affairs shall furnish the Committee on House Administration information with respect to any study or investigation intended to be financed from such funds.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING EXPENDITURES INCURRED BY THE SPECIAL COMMITTEE TO INVESTIGATE CAMPAIGN EXPENDITURES TO BE PAID FROM THE CONTINGENT FUND OF THE HOUSE

Mr. FRIEDEL. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 1905) on the resolution (H. Res. 959) authorizing expenditures incurred by the Special Committee To Investigate Campaign Expenditures to be paid from the contingent fund of the House and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 959

Resolved, That the expenses of conducting the investigation authorized by H. Res. 929, Eighty-ninth Congress, incurred by the Special Committee To Investigate Campaign Expenditures, 1966, acting as a whole or by subcommittee, not to exceed \$55,000, including expenditures for employment of experts, special counsel, and clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by said committee, signed by the chairman of the committee, and approved by the Committee on House Administration.

SEC. 2. The official stenographers to committees may be used at all hearings held in the District of Columbia if not otherwise engaged.

The resolution was agreed to.

A motion to reconsider was laid on the table.

CORRECTION OF ROLL CALL

Mr. WHITENER. Mr. Speaker, on rollcall No. 240, on August 25, a quorum call, I am recorded as absent. I was present and answered to my name. I ask unanimous consent that the permanent RECORD and Journal be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

CALL OF THE HOUSE

Mr. PEPPER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. PRICE. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 247]

Anderson, Ill.	Hansen, Idaho	Ottinger
Arnds	Hansen, Wash.	Patten
Ashmore	Harsha	Poage
Baring	Harvey, Ind.	Powell
Battin	Harvey, Mich.	Purcell
Blatnik	Hays	Quillen
Boggs	Horton	Reinecke
Bolling	Hosmer	Resnick
Brown, Calif.	Hungate	Rhodes, Ariz.
Callaway	Jennings	Rhodes, Pa.
Cohelan	Keogh	Rogers, Colo.
Conyers	King, N.Y.	Rogers, Tex.
Corman	Krebs	Ronan
Craley	Kupferman	Rostenkowski
Cramer	Laird	St Germain
Cunningham	Landrum	Scheuer
Daddario	Long, La.	Schisler
Davis, Wis.	Love	Scott
Dickinson	McClory	Senner
Diggs	McDowell	Shriver
Dingell	McMillan	Sickles
Duncan, Oreg.	McVicker	Sikes
Edmondson	MacGregor	Stephens
Everett	Martin, Ala.	Stratton
Fisher	Martin, Mass.	Thomas
Flood	May	Toll
Foley	Michel	Tuten
Fountain	Moeller	Udall
Fraser	Moorhead	Utt
Fulton, Tenn.	Morris	Van Deerlin
Gallagher	Morrison	Walker, Miss.
Gathings	Murphy, Ill.	Watson
Grabowski	O'Brien	Weltner
Gray	O'Hara, Mich.	Willis
Hagan, Ga.	O'Konski	Wilson
Halleck	Olson, Minn.	Charles H.
Hanna	O'Neill, Mass.	Zablocki

The SPEAKER. On this rollcall 320 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

DEPARTMENT OF TRANSPORTATION ACT

Mr. HOLIFIELD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 15963) to establish a Department of Transportation, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from California.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 15963, with Mr. PRICE in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on Wednesday, August 24, 1966, the gentleman from California [Mr. HOLIFIELD], had 36 minutes remaining and the gentleman from Illinois [Mr. ERLENBORN], had 41 minutes remaining. The Chair recognizes the gentleman from California.

Mr. HOLIFIELD. Mr. Chairman, I yield myself 5 minutes.

In my 24 years in Congress I have never before encountered the atmosphere of pressure from lobbyists, such a barrage of distortion of the truth, as has occurred during the consideration of the Department of Transportation legislation. I want to make it clear that this barrage does not come from the Members of the House. It does not come from the railroad industry. It does not come from the highway people, nor has it come from the aviation industry. It has come in the main from Paul Hall, president of the Seafarers Union of North America.

In the Baltimore Sun of August 19, 1966, on page C-9, there is an article by the maritime editor of the Sun, and the article reads as follows:

Two International AFL-CIO presidents today charged that the Johnson Administration has offered to build 25 bulk cargo ships if organized labor will forget about an independent Maritime Administration.

The article then quotes Mr. Paul Hall as follows:

"We're not about to make such a deal," said Paul Hall, President of the Maritime Trades Department before his group at a quarterly meeting in Chicago today. . . . "This Administration is no good. They don't do what they say they will. Lyndon B. Johnson's word is not worth two cents as far as the maritime end is concerned. I don't think they can be trusted."

Mr. Chairman, I have checked with the President's aids, who are in a position to know about this matter, and they state without exception no such offer was made to Mr. Hall or to his associates. I talked with the President no later than last Friday, August 26, 1966, and he told

me that he had never made such an offer nor did he authorize such an offer. Therefore, I brand Paul Hall's assertion as an untruth.

In the Baltimore Sun of August 11, 1966, page C-7, in a column by the maritime editor of the Sun headed by the word "Deal" the following statement is found:

"He"—meaning Hall—"charged that while the Maritime labor unions and the unsubsidized segment of the shipping industry were fighting for an independent Maritime Administration, the Committee of American Steamship Lines 'made a deal' with CHET HOLIFIELD (Representative HOLIFIELD, D., California) to take care of themselves within the new Department of Transportation. We thought they were with us until we found out differently.

"They don't care just as they have never cared, about what happens to the American Merchant Marine as a whole, just as long as their own little corner is salvaged. Now when we have a good chance of getting an independent agency, they go around making deals behind everybody's back."

There is more in the column, but I will end the quotation at that point.

Mr. Chairman, I brand this statement as untrue. I have never been contacted by nor have I discussed any matter with any representative of the American Steamship Line, referred to in the article in the initials "C.A.S.L." except in the open committee session when, along with other members of our committee, I listened to their representative state their case, and he stated it very plainly.

That was the only conference that I have had, if that might be called a conference. So when a leader of organized labor charges that a Member of Congress has made some kind of deal such as this charge, I can only say that it is an unmitigated untruth.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Oklahoma.

Mr. ALBERT. Mr. Chairman, I could hardly believe my eyes when I read the statement about the gentleman that the Seafarers Union president made. It is difficult for me to believe that any person in a responsible position in organized labor would do or say some of the things that have been attributed to Mr. Hall. I read in another article where he had promised certain Members of the House extinction if they did not do what he wanted them to do.

Mr. HOLIFIELD. I was just about to get to that. If the distinguished majority leader will yield to me a moment, I will say I am just coming to that.

Mr. ALBERT. I thank the gentleman.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HOLIFIELD. Mr. Chairman, I yield myself 5 additional minutes.

Now, Mr. Chairman, as part of the pressure from the Merchant Marine Labor Union lobbyist, Mr. Hall, we have threats to defeat three Members of Congress, not because of their votes on adverse labor legislation—and I want to make this very clear—not because they have voted against the interests of labor or labor legislation. The Members referred to have excellent labor vote records. Mr. Hall is going to go into the

districts of the three Members and try to defeat them because they do not agree with him on the placement of the Maritime Administration in the structure of government.

In the August 15, 1966, issue of the Baltimore Sun, Hall threatens to defeat the gentleman from Ohio [Mr. ASHLEY], the gentleman from New York [Mr. Dowl], and then we have the following two interesting paragraphs:

The Maritime Trades Department of the AFL-CIO has placed three incumbent Congressmen "on the list" to oppose in the upcoming elections in consequence of their position against an independent Maritime Administration.

That is the end of that paragraph quotation. Then, Mr. Chairman, there is a closing paragraph of the news article—and I have all of these here in front of me. The quotation on the interview of Mr. Paul Hall is as follows:

The third one on whom the MTD is "down" is Representative HOLIFIELD (Democrat, of California) but the Maritime Unions do not believe they can defeat him.

This, of course, gives me a great deal of confidence. They are going to come into my district, after 24 years of my supporting good labor legislation, and because I disagree with them—and I think they are making a colossal blunder in trying to obtain an independent agency outside of the mainstream of the department, where the focus of interest will be and where the President, who sets the limit on their budget wants them to be—because I disagree with them on that point, they are going to come into my district and defeat me.

Although I detect a lack of confidence on the part of Mr. Hall in his plans to defeat me in the forthcoming election, I would just like to say to Mr. Hall and to any of his labor friends who wish to engage in a retributive political "black-jack" operation on me that they ought to start right now. They ought to go to my district and start working against me and start spending money against me. I am not going to be able to get there for several weeks. I believe we will have business in the House. This will give them an opportunity to get a good running start.

Now, I am not concerned about these threats, Mr. Chairman. I am bringing them before the body so that Members can understand the kind of psychology we are dealing with in dealing with this matter of the Department of Transportation.

I would say that if the statements which Mr. Hall has been making in the press and in news interviews are a fair example of his political judgment as to how to win friends and influence people and get a big maritime program, I am not surprised by his evident lack of success in getting Congress to build a dynamic merchant marine, because this is not the way to win friends and influence people. This is not the way to get a dynamic program.

I have voted for every maritime program that has been presented to this Congress for 24 years. I have been a friend of the maritime program because I believe it is a program we need in this

country from the standpoint of national defense.

I am fully aware of the deficiencies. I am fully aware of the subsidies that have been given to them. I have made myself completely plain on that and stated that not only the maritime industry but also other modes of transportation have received such.

The problem is an economic problem; it is not a problem of placement in Government. I would not stand here and tell Members that putting this in a Department of Transportation will solve those problems. Neither would I say that putting it in an independent agency would solve the problems. Nor will it solve the problem to leave it where it is, in the Department of Commerce.

That is what the Garmatz amendment, which will be offered, would do. It would leave it in the Department of Commerce, a Department which has a myriad of interests other than transportation.

What we ask to do is to lift it, to upgrade it, to put it in a Department of Transportation which will be devoted to the one subject of improving all of our transportation modes. The Secretary is so charged.

I want to go into this at some length when the gentleman from Maryland [Mr. GARMATZ] offers his amendment. I will say to the Members of this House that if they wish to go ahead and vote for an independent agency, that is not concerned in this bill. The only thing the Garmatz amendment will do is to strike it out of this bill and leave it in the Department of Commerce. Then later the Garmatz bill will be taken up on the floor. It must come up. The leadership has agreed to bring it up. That would take it from wherever it is and make it an independent agency, if this House so wishes. Of course, that is a decision for the House to make at that time.

But I say that if the friends of the Maritime Administration want to use prudence and wisdom they will not strike it out of this bill and put all their eggs in the basket of the Garmatz bill, because the legislative path which both those bills will have to follow will be a dangerous path. A lot of things can happen to either of those bills in the other House. A lot of changes can be made over there. A lot of changes can be made here during the course of further consideration of this bill.

So I would say to the friends of the maritime program that they should use some prudence and wisdom on this matter of striking this out of the Department of Transportation Act.

Mr. WILLIAMS. Mr. Chairman, will the gentleman yield to me?

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. HOLIFIELD. Mr. Chairman, I yield myself 6 additional minutes, and I now yield to the gentleman from Mississippi.

Mr. WILLIAMS. Mr. Chairman, I would like to ask the gentleman some questions relating to the transfer of some of the functions presently exercised by the Civil Aeronautics Board to the new Department. As I understand it, the National Transportation Safety Board is

intended to be an independent agency within the Department. Is that correct?

Mr. HOLIFIELD. That is right, and it is so stated in the bill.

Mr. WILLIAMS. With that in mind, you are setting up also an Office of Accident Investigation. Will that Office be charged with the responsibility of investigating all accidents in every mode of transportation?

Mr. HOLIFIELD. The short answer to that is "Yes."

Mr. WILLIAMS. All right. Second—

Mr. HOLIFIELD. May I elaborate on that for just a moment?

The functions that are in the Bureau of Safety in the Civil Aeronautics Board will be transferred. Those functions at this time, as the gentleman so well knows—and he is one of the great experts in the House on aviation and far above my poor knowledge of it—the investigation of major accidents involving civil aircraft occurring in the United States and its territories is the function of the Bureau of Safety.

Mr. WILLIAMS. That is correct.

Mr. HOLIFIELD. And that will be transferred over. In addition to that, the testimony was that they can develop the expert men in this department of the Office of Accident Investigation, that will be able to look into major railroad accidents and highway accidents, that they will have investigators who are specialists in those fields, and they will also take care of those others.

Mr. WILLIAMS. As the gentleman knows, aircraft accident investigation is a highly specialized field. It requires several teams of experts, some of them working on airframe problems, some on engine problems, and some on fuel problems, human factors, and other matters. Will these teams of experts be kept intact under this agency as they are presently set up under the CAB or will they be integrated into a sort of overall accident investigative team to investigate accidents in other transportation modes as well?

Mr. HOLIFIELD. No. The testimony brought out that each mode would have its experts and that the present experts in airplane accidents would investigate airplane accidents and that highway specialists would investigate highway accidents.

Mr. WILLIAMS. Then it is not contemplated, for instance, that aircraft investigators would have to double also as investigators of railroad accidents?

Mr. HOLIFIELD. It is not, and we provide in the bill that insofar as it is possible there shall be a continuity of operations under existing statutes the same as now obtains.

Mr. WILLIAMS. I thank the gentleman. I have one further question about another matter which concerns me in this bill. At present, appeals from Federal Aviation Agency rulings in such matters as revocation and suspension of certificates of airmen and other certification matters are reviewable by the Civil Aeronautics Board. The law was written that way in order that a separate and independent agency would have final judgment over the policing activities of the

Federal Aviation Administration. It is my understanding that this bill transfers these review functions from the Civil Aeronautics Board to the National Transportation Safety Board, an independent agency within the Department.

Mr. HOLIFIELD. That is right.

Mr. WILLIAMS. But the fact remains the agency, even though supposedly independent, is still to be a part of the same Department.

Now, Mr. Chairman, are we going to be in this position—and I ask this question quite seriously and not facetiously—are we going to be in the position of giving the Department exclusive authority to pass final judgment on the actions of one of its subordinate regulatory and enforcement agencies?

Mr. HOLIFIELD. We were concerned with this very problem and so, we wrote into the bill, on page 8, section (e), the following language:

In the exercise of any of its functions, powers, and duties, the Board shall be independent of the Secretary and the other offices and officers of the Department, and shall give full consideration to the requirements imposed on the Secretary by section 4(b) of this Act.

While it is in the Department for housekeeping purposes, we think that that statute makes it completely clear that the Board is appointed by the President and confirmed by the Senate.

So, they have the opportunity in the other body to pass upon the qualifications. And, we further provide in other parts of the bill that these men shall be qualified men to go into these areas, and we believe that when the gentleman's committee, and other committees that are involved, consider the operation of this new Department, we believe that with this statutory language that we give them, notwithstanding the fact they are in the Department for housekeeping purposes, we can adequately protect independence of action.

Mr. WILLIAMS. Mr. Chairman, if the gentleman will yield further, I would like to ask one more question.

I am sorry to consume so much of the time of the gentleman from California, but the Safety Board, as I understand it, would be made up of several members; is that correct?

Mr. HOLIFIELD. Five members.

Mr. WILLIAMS. Five members, to be named by the President and confirmed by the Senate?

Mr. HOLIFIELD. Yes.

Mr. WILLIAMS. I see no requirement that these members must be a specialist in any particular field.

Did the Committee on Government Operations give consideration to placing a requirement in the legislation to the effect members of the Board be qualified as experts in particular modes of transportation?

I can foresee that we may run into some difficulty in the future, for instance, if the Board should be dominated by members representing a single mode of transportation, or if there should be no member with expertise in some particular mode.

Did the committee give consideration to trying to spell out in more detail the

qualifications of the members of that Board?

Mr. HOLIFIELD. We have language to the effect that the Board members shall be appointed with due regard to their fitness for the efficient dispatch of their duties. I refer the gentleman from Mississippi to page 9, section 5, paragraph (g).

Their qualifications will be reviewed by the Senate, and we believe that the Members over there—if it were not for the rules of the House I could mention them—have had a longtime interest in the field and that those men who are approved will be experts in the field and that it is the congressional intent that they do be experts.

Mr. WILLIAMS. I thank the gentleman from California.

The CHAIRMAN. The time of the gentleman from California has again expired.

Mr. HOLIFIELD. Mr. Chairman, I yield myself 4 additional minutes.

Mr. DON H. CLAUSEN. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. Yes, I yield to the gentleman from California, but I am going to have to make this short or I shall not have any time left.

Mr. DON H. CLAUSEN. Mr. Chairman, I thank the gentleman from California for yielding.

Mr. Chairman, I have had a number of discussions with the chairman of the committee, the gentleman now in the well, and I am wondering if he could satisfy some of us who are concerned about the Federal Aviation Agency in effect being swallowed up by the Department of Transportation?

Could the gentleman give me a response as to whether or not we should be concerned, and whether or not the people who are writing to us about it and about their concern in this regard have reason for which to worry?

Mr. HOLIFIELD. I do not believe that they have any reason to worry. If there is going to be any swallowing done, I believe it is going to be done the other way, because to begin with, the continuing operation and function of the FAA and the CAB functions that are carried on, in the setting up of this Federal Aviation Agency to carry out those functions, will be the most important part.

I cannot reduce it to the percentages but I would say roughly that 80 percent of the civilian employees in the Department will be performing duties pertaining to aviation. I doubt if the other modes which are relatively smaller than aviation would be able to swallow a much larger entity in the Department.

Mr. DON H. CLAUSEN. Is it the gentleman's understanding that the Federal Aviation Agency will be moved to the Department of Transportation and become the Federal Aviation Administration at that time?

Mr. HOLIFIELD. The Federal Aviation Administration will perform the following functions transferred to the Department from the Federal Aviation Agency:

First. Control navigable airspace, and regulate both civil and military opera-

tions in the interest of safety and efficiency for both.

Second. Operate a common system of air traffic control and navigation for both civil and military aircraft.

Third. Conduct research and development for air navigation facilities, and their installation and operation.

Fourth. Register civil aircraft.

Fifth. Federal aid airports program.

Sixth. Civil supersonic transport program.

All of these operational functions will be transferred over, and it is my understanding that the personnel who are expert in this field will be transferred over because we have specified that there be a smooth continuity of operations in the modal types of transportation.

Mr. DON H. CLAUSEN. I believe from what the gentleman just said that some of our concern may be relieved. Of course, only history will prove who is right or wrong. But I think that we have to be very careful that the Federal Aviation Agency and its functions are not going to be swallowed up and in effect be competing with some of these other modes of transportation.

Mr. HOLIFIELD. We had some concern with solving the problem but let me say this, if there is any intent in this bill at all, it is that the Secretary of Transportation cannot go off on his own with new policies and programs. He must operate within existing statutes as far as coordination and planning is now concerned. He must come back to the committee which has jurisdiction in the matter and obtain legislation to extend new policies and new programs.

Mr. DON H. CLAUSEN. I thank the gentleman.

The CHAIRMAN. The gentleman from Illinois [Mr. ERLNBORN] is recognized.

Mr. ERLNBORN. Mr. Chairman, I yield 15 minutes to the gentleman from Alabama [Mr. EDWARDS].

(Mr. EDWARDS of Alabama asked and was given permission to revise and extend his remarks.)

Mr. EDWARDS of Alabama. Mr. Chairman, one day just a few weeks ago we passed the 30th anniversary of the Merchant Marine Act of 1936. That is the law which established the basis for U.S. merchant marine policy. It provides the foundation which makes the quality of our merchant fleet a national goal. It says the merchant marine must have the best and safest ships, they must be constructed in this country; and more significant—it says the merchant marine must be a partner in our national defense structure so that in a time of national emergency it takes its place as an arm of U.S. military strength. In brief, the Merchant Marine Act of 1936 recognizes the importance of U.S. influence on the sea lanes of the world, and it provides the foundation on which to build and hold that influence.

On that same day a few weeks ago the Defense Department announced the recommissioning of 25 C-4 merchant ships from the mothball fleet, or U.S. stock of ships held in reserve from World War II. This was done in order that essential supplies could be transported to south-

east Asia to support our fighting men there.

The Defense Department said this was a way of "upgrading" our merchant fleet. There is only one word which characterizes this coincidence which found us, on the anniversary date of the Merchant Marine Act of 1936, bringing World War II ships into service and calling it "upgrading." That word is "pathetic."

The ships we are now having to bring into service in an emergency are more than 20 years old. They are outdated, unreliable and perhaps not safe. And to have to press them into service now to meet a national commitment which the administration says is of vital international and national importance is an event which not only makes a mockery of the 1936 legislation, but also is a tragic sign of the serious mistake we have already made in allowing the U.S. merchant fleet to wither away.

The cold fact is that we are watching our once-proud merchant marine sink into a sea of confusion, neglect, lack of leadership, and bureaucratic twaddle.

Mr. LENNON. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Sixty-eight Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 248]

Arends	Hungate	Roncalio
Ashley	Jennings	Rooney, Pa.
Ashmore	Keogh	Rostenkowski
Ayres	King, N.Y.	St Germain
Baring	Kirwan	Schlisler
Battin	Krebs	Scott
Blatnik	Landrum	Senner
Boggs	Long, La.	Shriver
Bolling	Love	Sickles
Callaway	McClory	Sikes
Cohelan	McDowell	Smith, Calif.
Conyers	McMillan	Stephens
Corman	McVicker	Stratton
Craley	Macdonald	Teague, Calif.
Cramer	Martin, Ala.	Teague, Tex.
Cunningham	Martin, Mass.	Thomas
Diggs	May	Thompson,
Duncan, Oreg.	Michel	N.J.
Edmondson	Moeller	Thompson,
Evins, Tenn.	Moorhead	Tex.
Farnsley	Morrison	Toll
Flood	Murphy, Ill.	Tunney
Foley	O'Hara, Mich.	Tuten
Fraser	O'Konski	Udall
Fulton, Tenn.	Olson, Minn.	Utt
Gallagher	O'Neill, Mass.	Van Deerlin
Grabowski	Pirnie	Walker, Miss.
Hagan, Ga.	Poage	Watson
Halleck	Powell	Weltner
Halpern	Purcell	Whitten
Hanna	Quillen	Widnall
Hansen, Idaho	Reid, N.Y.	Willis
Hansen, Wash.	Reinecke	Wilson, Bob
Harvey, Ind.	Resnick	Wilson,
Harvey, Mich.	Rhodes, Ariz.	Charles H.
Hébert	Rhodes, Pa.	Zablocki
Horton	Rogers, Colo.	
Hosmer	Ronan	

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. PRICE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 15963, and finding itself without a quorum, he had directed the roll to be called, when 317 Members responded to their names, a quorum, and he submitted

herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The gentleman from Alabama has 10 minutes remaining.

Mr. EDWARDS of Alabama. Mr. Chairman, in 1946 U.S. ships carried 68.4 percent of U.S. commerce on the seas. The figure now is down to less than 9 percent. Norwegian ships carry twice as much American foreign trade as do our own ships. We rank only fourth in the number of ships afloat, and perhaps we are lucky to be doing even that well. The British insurance market threatens to raise the cargo insurance rates on older ships. Since a large part of the U.S. fleet consists of these older ships, and since the British insurance rates set the pattern for worldwide rates, the result of this action would be the virtual elimination of a great portion of the U.S. merchant fleet from the sea lanes of the world.

We have no shipbuilding program with which to meet the need facing us. Though we are blessed with warm water ports to a far greater extent than any other country, and though we have an industrial strength without parallel, our attention to the construction of new merchant ships has been tragically minimized. At the end of 1964 we ranked ninth among the shipbuilding nations of the world. By the end of 1965 we had fallen to 12th place. Our tonnage under construction during the 12-month period actually declined, and we are doing no better today. Even Poland and Yugoslavia are building more ships than we are.

While the U.S. merchant marine is dwindling away, the Soviet Union takes just the opposite action. The vital role of seapower certainly does not elude the Soviet Union, and that nation has already emerged as a leading seapower. Russia thinks of her merchant marine as an arm of the navy, and acts accordingly. She has built her merchant marine to a strength which amounts to a clear challenge for naval and mercantile supremacy at sea—a bid for control of the world's sea lanes. The significance of Russia's bid is difficult to exaggerate.

In 1965 we had about 340,000 tons of new shipping under construction. And while neither Russia nor East Germany reveal the extent of their ship-building activity, the best estimate is that Russia is building about 1 million tons annually. This year we are building about 39 new ships. Russia is thought to be building about 550, and by 1970 is expected to build about 700 ships a year. Many, or most, of Russia's merchant ships are built so as to be interchangeable with navy ships. The latest edition of "Janes Fighting Ships," a recognized authority on the subject of shipping says:

The Soviet Navy draws freely from the mercantile pool whenever it is in the interests of the fighting services, either absorbing merchant ships as naval auxiliaries or building naval ships on mercantile lines.

The Russian effort clearly is a challenge for naval and mercantile supremacy at sea.

Mr. Chairman, this tragic and dangerous state of affairs follows from what is evidently a general lack of national understanding in our country of the long-term importance of merchant shipping in world politics and economics. But we must also charge our Government with a startling failure in leadership in this regard. For the fact is that even though this problem has been growing for years, we have no merchant marine policy today. The executive branch has failed to formulate any plan to give us the merchant fleet strength we need, and to that we owe our present difficulty.

These failures go back to the reorganization plans of 1950 and 1961 which progressively diminished the status of the Maritime Administration until it is lost in the Department of Commerce today. The result of this was to relegate interests of the merchant marine to an inferior status in the bureaucratic structure. It took away the administrative independence of the merchant marine and buried it far down in the bureaucratic jungle, and it has been there ever since.

In April of 1961 when Reorganization Plan No. 7 was proposed, the executive branch offered a "sweetener" to those individuals and groups who believed in a strong merchant marine and who feared that putting the Maritime Administration into the Commerce Department would result in a policy stagnation. The "sweetener" was the establishment of a group called the Maritime Evaluation Committee which was supposed to study the whole merchant fleet problem and come up with a plan. Two years went by, and finally, in July of 1963 the group did submit a report. But nothing happened. The report died, and evidently the committee went out of existence without having any accomplishment.

Another 18 months slipped away, as Members of Congress on both sides of the aisle began to express their concern for our long-term national security in the face of increasing tensions in southeast Asia and elsewhere.

Then in January of 1965 President Johnson raised the hopes of all of us when he said in his state of the Union message that his administration pledged to find a "new policy for our merchant marine." He appointed another Government group to study the matter. It was called the Interagency Maritime Task Force. In October 1965 the group submitted its report.

The report was severely criticized from all directions except inside the Maritime Administration itself. The maritime industry, maritime labor organizations, and related groups and individuals outside the Government all joined in labeling the task force program as unacceptable. In the President's 1966 state of the Union address, not a single word relating to the merchant marine could be found. It was just as though our merchant fleet interests had disappeared from the earth at the very same time that our merchant shipping requirements were swiftly increasing as the result of a war half way around the world—a war which obviously would

have to be supported in great part by merchant shipping.

The budget allocated by the President early this year for the Maritime Administration was the lowest in the past 7 years. So we not only lack a policy, but the executive branch has appeared to de-emphasize our merchant marine generally, at least in the matter of Federal Government implementation of the Merchant Marine Act of 1936. The Defense Department is on record as feeling no concern whatever over our lack of adequate merchant shipping even though it is now having to bring ships out of the mothball fleet. When the Defense Department, in order to fight a war on the other side of the globe, calls 20-year-old ships into service and says this is a way to upgrade our merchant fleet, and when at the same time the Department shows no concern, and when the administration obviously has no merchant marine policy, then, I submit that we have a problem on our hands. In my opinion we have a gigantic problem.

Now, Mr. Chairman, we have before us the plan to take the Maritime Administration out of the Commerce Department and put it into the proposed new Transportation Department. In my judgment this would be a mistake. It would simply transfer the maritime group from the depths of one bureaucracy to the depths of another. It might actually retard merchant marine progress rather than advance it, because of the fact that any large new Government organization spends months getting organized before any policy planning is really accomplished.

Of course, it is entirely possible that President Johnson will add a "sweetener" to the proposal, just as President Kennedy did in 1961. He may, with due public acclaim, set up a new study group headed by some leading official, perhaps the Vice President, and solemnly proclaim that the group will come forth with a merchant marine policy. If this happens I would surely hope that it would be successful. But the history of these studies has not been bright, and those interested in true merchant marine progress have had to learn not to confuse appearance with reality. Or he may offer another "sweetener" such as a separate watered down subsidy board within the Department of Transportation.

But unless we have a merchant marine policy which in reality begins to get us back on the road to merchant fleet strength it is not inconceivable that the day will soon be with us when we are forced to depend on Soviet Russian ships to transport goods vital to the economy or even to the national security of the United States. And in that event a "sweetener" would not be any better than a sugar-coated pill.

Our dependence on sea transportation will not diminish. It has always been important and will continue so. We must export farm and factory products, and it is essential that we import various goods from other countries in order to maintain our economy. We must never

allow conditions to deteriorate to the point at which we can no longer guarantee these exports and imports for ourselves through reliance on American ships. And yet we must ask ourselves if we are not dangerously close to that point already.

The central question at hand is whether merchant marine policy will be more effectively devised and implemented with the Maritime Administration in the Department of Transportation than it has been with the Department of Commerce. As a Member serving on both the Merchant Marine and Fisheries Committee and the Government Operations Committee it has been my privilege to consider this matter at some length. It is clear to me that solutions to our serious merchant marine problems will not be found by putting the Maritime Administration into the proposed Department of Transportation. I have discussed the issue in greater detail in the committee report—House Report No. 1701—where I said that the proposed new Department will be largely oriented to domestic transportation matters, and not those of an international nature of the kind facing our merchant marine.

The American merchant marine is a sick industry. The only way to treat a patient with a progressively deteriorating condition is to place that patient in an intensive-care unit and nurse him back to health. Removing the patient from one overcrowded ward to another only portends diminishing care, and an acceleration of his demise, because he sees no hope of interest in his disease.

A great part of the solution to the merchant marine sickness lies in given the Maritime Administration independent status in the Government. This will give a true voice to the needs of the merchant fleet providing that the independent Maritime Administration is also then staffed with highly qualified, dedicated men and women. The effort requires the full attention of some of our country's best brains acting with authority as an independent group within the Government.

An independent Maritime Administration might have been able to prevent the bloc obsolescence of the majority of our fleet. It might have been able to promote the policy as set forth in the Merchant Marine Act of 1936. Common-sense dictates to us today that we will be foolhardy not to do everything possible to remedy the problems which have developed over these past years.

With the Maritime Administration in the Department of Commerce the results have been clear: stagnation, complete failure to devise a policy, confusion, and a serious decline in our merchant fleet strength. With the Maritime Administration in the Department of Transportation we would have no reason to expect anything better. In fact the time lost in setting up the new Department and making further studies could be disastrous to the merchant marine.

My recommendation, first, is to make the Maritime Administration an independent agency as recommended by the House Merchant Marine and Fisheries Committee and by the maritime industry and labor organizations.

And I want to go beyond, and also urge that the President plan to appoint as head of the independent Maritime Administration an individual of the highest ability, knowledge, and dedication so that the merchant marine will have an effective voice. Then we must go still further, and devise an effective policy so that the Merchant Marine Act of 1936 can be implemented, and in addition, give to the American people a greater feeling for the vital importance of the merchant marine to our national welfare. What I am talking about is a new horizon, a new concept of the role of the merchant marine in our national thinking.

We owe it to ourselves. Let us start today by voting to remove the Maritime Administration from the transportation bill. The logical next step would be the creation of an independent Maritime Administration by passing H.R. 11696 which has been approved by the Rules Committee and is ready to come to the floor when scheduled by the leadership.

Mr. LENNON. Mr. Chairman, will the gentleman yield to me at this point?

Mr. EDWARDS of Alabama. I am happy to yield to my friend from North Carolina.

Mr. LENNON. Mr. Chairman, I commend the gentleman for his statement and I thank him for his supplemental and minority views that appear in the committee report.

In the 2 years the gentleman has been a member of the Merchant Marine Committee, no one has been more knowledgeable or been more concerned over the long range program of a national adequate merchant marine policy.

I happen to be one of the Members of this House who has had the honor and the privilege of serving as a member of the Merchant Marine Committee. In my judgment, the most knowledgeable man in the Congress of the United States was the former chairman of that committee, the beloved friend of most of us, our good friend Herb Bonner.

Herb served on the Merchant Marine and Fisheries Committee for 26 years. He served as an administrative assistant to a former Member, who was a member of the Merchant Marine and Fisheries Committee, for 16 years. That is a total of more than 41 years that Herb Bonner was connected with the merchant marine.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. ERLÉNBOURN. Mr. Chairman, I yield the gentleman an additional 5 minutes.

Mr. LENNON. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of Alabama. I yield to the gentleman from North Carolina.

Mr. LENNON. Mr. Chairman, there is not a man in this Congress who has the intimate knowledge of the responsibilities of the merchant marine that Herb Bonner had. I am frank to say, I do not believe in the executive branch

of the Government, during the Eisenhower administration, the Kennedy administration, or the present administration, has there been a man with the general knowledge and grasp of our needs in the merchant marine possessed by Herb Bonner.

I ask the Members to listen to me.

The last official act of Herb Bonner was to stand in the well of this House on October 16 last year, when he introduced a bill calling for the establishment of an independent merchant marine. If Members do not agree with those of us who believe that this is the only approach, I ask them to do me the personal favor, for the memory of Herb Bonner, of going back to read his statement of that date.

I say to all the ladies and gentlemen, we had an independent merchant marine prior to 1950. The proposal under reorganization plans No. 21 at that time was that for our merchant marine to move forward we had to get under the spotlight of an agency of Cabinet status. At that time, Mr. Chairman, merchant vessels owned by Americans, flying the American flag, were moving 40.6 percent of all of our export and import cargo.

Let us see what has happened since it went into the Department of Commerce, at the status of a Cabinet level department.

In a 4-year period from 1950 to 1954 that percentage dropped from 40.6 percent to 27.4 percent. And in the next decade, from 1954 to 1964, it dropped from that figure to 8.3 percent. That is the last calendar year figure we have.

I should like for those ladies and gentlemen who believe that our maritime industry is certainly the fourth arm of defense to stay with those of us who have had the responsibility on this committee for these years of making this determination.

One might say to me, "Why has the committee not acted?" Let me say it was the thinking of Herb Bonner in 1957, when I first become a member of that committee, to bring to the House of Representatives, which has the total responsibility, along with the other body, a bill establishing an independent maritime agency. But what happened? In 1961, under reorganization plan, another proposal was brought forward. Herb Bonner, being the Democrat he was, being the chairman of the committee and loyal, bought that plan in the expectation, in the hope, and in the belief at that time that it was the answer to our maritime problems.

On October 16 of last year, as I indicated only a minute ago, Herb Bonner said, "That was the most grave mistake I have ever made."

He called on the Members then, as he is calling on them now. If the Members believe what he believed, based on his vast experience, knowledge, concern, and dedication, they will stay with the committee when it makes an effort to strike from this bill the proposal to include the Maritime Administration.

I do not mean to say, ladies and gentlemen, that at some subsequent date it will not be possible to put the Maritime

Administration in the Department of Transportation.

The Rules Committee has granted the Committee on Merchant Marine and Fisheries a rule on a bill, so that we can bring it to the House for the Members to decide. It is the judgment and the responsibility of the House that is involved. Members are the ones who will answer in the future, not the executive branch of the Government.

I say to my friends, we may be here in 2 or 3 weeks from now, saying that perhaps this can be put in the Department of Transportation.

We do not know. We have to look at it and we have to take a hard look at it to see whether or not we can be assured of the future of the American Maritime Administration. Ladies and gentlemen, I believe that I feebly express the thinking of all of the members of our committee, 32 of them, except for 2 on our committee, who believe this. This is our job and this is our responsibility.

The CHAIRMAN. The time of the gentleman from Alabama has again expired.

Mr. ERLÉNBOURN. Mr. Chairman, I yield the gentleman from Alabama 6 additional minutes.

Mr. EDWARDS of Alabama. Mr. Chairman, I yield again to the gentleman from North Carolina [Mr. LENNON].

Mr. LENNON. How would you feel as a member of a legislative authorization committee if your plea were not heard and if you had been giving time, effort, and deliberation to this proposal as we have been doing? I ask you to stay with us.

I thank the gentleman from Alabama for yielding to me.

Mr. Chairman, we seek to accomplish the objective of a sound and viable merchant marine industry, and in doing so, it is necessary that the agency responsible for its well-being be a separate and independent body and one whose sole responsibility and objective is the welfare of that industry.

Of course, the most logical question we will be asked is: What is so unusual about the maritime industry to justify its promotion and administration by an independent agency?

Mr. Chairman, there are direct and proximate relationships among many forms of transportation, such as trucks, buses, railroads, pipelines, and domestic airlines. But I submit that oceangoing vessels in the foreign trades not only do not compete with other segments of American transportation industry, but their problems are completely different.

Our vessels in the foreign trade constitute a separate and distinct transportation service which is in direct competition with the vessels of other nations in the solicitation of cargoes. As such, there is brought into play a myriad of problems and questions which are in no way involved in domestic transportation and which, of their very nature, require an authoritative, knowledgeable, and independent body to deal with them.

To subordinate water carriers to other forms of transportation will lead, in-

evitably, to the continuing decline of the oceangoing water transportation industry. After all, viewing the situation realistically, it would be asking too much to expect the establishment and enforcement of an effective program for the development and maintenance of a vigorous American merchant marine by a Government department which did not have that goal as its one and only target.

A mere reference to the numerous studies which have been made under Government auspices over the past 20 years conclusively proves just how peculiar in nature the maritime industry really is.

Those of us who have been very close to this problem for many years as members of the Merchant Marine and Fisheries Committee urge you to support the amendment to strike the Maritime Administration from the bill that we are now considering—in order that we may bring to the floor, under a rule already granted by the Rules Committee, legislation that will establish an independent Maritime Administration—not under any other department, agency, or instrumentality of the executive branch of the Government. This legislation will include the creation and establishment of an independent maritime subsidy board within that agency with complete independence and final authority to pass on all matters related to construction-differential and operating-differential subsidies.

Under no conditions and circumstances should such a quasi-judicial body's decisions be subject to an administrative directive, and especially, to a veto.

Mr. EDWARDS of Alabama. Mr. Chairman, I thank the gentleman from North Carolina very much for his comments and his contribution. The gentleman is a hard-working member of our committee, and it is a pleasure for me to be associated with him.

Mr. DON H. CLAUSEN. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of Alabama. I am glad to yield to my friend, the gentleman from California [Mr. DON H. CLAUSEN].

Mr. DON H. CLAUSEN. Mr. Chairman, I wish to commend the gentleman from Alabama [Mr. EDWARDS] for his very excellent statement upon this legislation.

(Mr. DON H. CLAUSEN asked and was given permission to revise and extend his remarks.)

[Mr. DON H. CLAUSEN addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. COLMER. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of Alabama. I am happy to yield to my good friend, the gentleman from Mississippi [Mr. COLMER].

(Mr. COLMER asked and was given permission to revise and extend his remarks.)

Mr. COLMER. Mr. Chairman, I should like to join with the statement made by the distinguished gentleman from North Carolina [Mr. LENNON] in congratulating the gentleman from Ala-

bama [Mr. EDWARDS] upon a very fine statement.

Also, Mr. Chairman, I should like to congratulate the gentleman from North Carolina [Mr. LENNON] upon the very able and comprehensive statement that he has made on this important question.

Mr. Chairman, the gentleman from Alabama [Mr. EDWARDS] and I just live a few stones' throw from one another across the State line on the beautiful Gulf of Mexico. We are both vitally interested in this subject and I know that the gentleman has done a yeoman-like work upon the Committee on Merchant Marine and Fisheries in behalf of what has been referred to here as a "sick industry."

Mr. Chairman, it is a sick industry and it needs assistance. It needs to be restored to its former independent position. And, as has been pointed out here, the Committee on Rules of the House has granted a rule upon the committee's bill which would establish this agency as an independent agency. In fact, the committee endeavored to find some parliamentary way by which it could make the bill of the Committee on Merchant Marine and Fisheries in order as an amendment to the present bill now under consideration.

Mr. Chairman, I thank the gentleman from Alabama for yielding to me.

The CHAIRMAN. The time of the gentleman from Alabama has again expired.

Mr. HOLIFIELD. Mr. Chairman, I yield 5 minutes to the gentleman from Connecticut [Mr. MONAGAN].

(Mr. MONAGAN asked and was given permission to revise and extend his remarks.)

Mr. MONAGAN. Mr. Chairman, I want to state my support of this bill, H.R. 15963.

I should like to begin by congratulating the gentleman from California [Mr. HOLIFIELD] upon the job that he has done, the difficult job of shepherding this legislation through the committee process and through the refining process here on the floor of the House.

Mr. Chairman, it has been a difficult and complex series of operations and the gentleman from California [Mr. HOLIFIELD] has been a good soldier in his willingness to take on this job.

I feel very strongly too that the minority representative, the gentleman from Illinois [Mr. ERLBORN], has done an outstanding job and I wish to congratulate him for the contribution that he has made toward bringing this very important bill to the floor of the House for consideration.

Mr. Chairman, simply by reading the categories that are covered in this legislation, and we can see that it refers to the Bureau of Public Roads, the Federal Aviation Agency, the Coast Guard, for example, we can appreciate just how broad the effect of this bill is.

That is the significant thing about the legislation, in my judgment.

I could talk, as others have, about the effect that this legislation, if adopted, will have upon these various depart-

ments. But I should like to confine myself to its potential effect upon public transportation and more particularly upon rail service.

I do not believe that this service either in my own area or in the United States as a whole would be improved by having it in separate departments and in separate bureaus.

I believe that this legislation will contribute a great deal to the upgrading and the modernizing of our systems of transportation both long range and those in the cities, and suburban areas, what we call urban mass transportation.

I know that the gentlewoman from New Jersey [Mrs. DWYER] is going to have an amendment in this regard which I will be very happy to support.

It is ironic that in these fields we should have to turn for models to other nations in the world, to Japan, for example, or in urban mass transportation to the city of Moscow and come reluctantly to the conclusion that that these countries have systems that are infinitely superior to our own.

Certainly the need for this type of transportation was never greater than it is at the present time. Those of us who have occasion to travel in the corridor from Boston to Washington know the demands that the future is going to present and what they are today and we understand the need for upgrading, modernizing, and for experiment in this field, so that our growing population may move rapidly and comfortably by public transportation.

It is my judgment that this legislation, which will create a single agency and conduce to having a unified view, will permit a look at this problem from a vantage point of a single department and at the same time will permit the correlation of all the demands and problems of each of the various types of transportation whether it be air, water, river, or rail. This legislation will redound to the advantage of the people of Connecticut and of the United States generally.

I think that the gentleman from California [Mr. HOLIFIELD] expressed the objective very well in the statement he made on the second page of his recent statement when he said that under this bill transportation affairs will acquire higher status and greater recognition in the councils of government.

I hope that you will all support this bill.

Mr. ERLBORN. Mr. Chairman, I yield 5 minutes to the gentleman from Washington [Mr. PELLY].

(Mr. PELLY asked and was given permission to revise and extend his remarks.)

Mr. PELLY. Mr. Chairman, I rise in support of an amendment, H.R. 15963, to take the Maritime Administration out of the proposed new Department of Transportation.

Mr. Chairman, to put it bluntly, I do not think the members of the Committee on Government Operations are sufficiently familiar with the problems of the American merchant marine to enable them to suggest the kind of reorga-

nization necessary to provide for building up and maintaining an adequate merchant marine to meet the national need. Frankly, the members of the Committee on Merchant Marine and Fisheries are familiar with this fundamental problem. After all, they have been studying it for a long time; they have taken a great deal of testimony and held hearings as to how best to provide a solution. Indeed, as a result of their studies the Merchant Marine Committee reported a bill to reestablish an independent maritime agency. That is the firm judgment of a substantial majority of the members of the committee.

Mr. Chairman, the proponents of the legislation to create a new Department of Transportation and consolidate in it the Maritime Administration stress the fact that under this arrangement the maritime industry would have a Cabinet officer to represent maritime interests in the Bureau of the Budget and likewise in formulating policy. Of course, in the past the Maritime Administration has had just such representation through the Secretary of Commerce. What reason is there to think that a new Secretary of Transportation would have any stronger voice than the present Secretary of Commerce. Let us not overlook the fact that the Secretary of Commerce admittedly reduced the Maritime Administration request for 25 new ships for fiscal year 1967 to 13 ships. In other words when the pressure on all Cabinet members was exerted by the President to cut budgets the "meat ax" was used on the Maritime Administration just as it would be again when maritime interests are submerged in another department.

The members of the Merchant Marine and Fisheries Committee believe that an independent Maritime Administrator should be free to express his views before committees of Congress and express his views freely on behalf of a merchant marine sufficient to carry its domestic waterborne commerce and a substantial portion of the waterborne export and import foreign commerce of the United States. An Administrator should be able to speak up in support of a merchant marine capable of serving as a naval and military auxiliary in time of war or national emergency; he should be able to speak up freely for a policy to foster the development and encourage the maintenance of an adequate and well-balanced merchant marine.

Mr. Chairman, many vessels are being delayed because of the lack of manpower. In particular, 10 days ago a ship loaded with ammunition for Vietnam was to sail from Seattle, but had to be held in port because she needed a radio operator. Just last Tuesday 14 vessels were delayed because of the lack of licensed engineers in Seattle, New Orleans, San Francisco, Galveston, and Houston. The Coast Guard's marine inspection office has said this shortage endangers both military and commercial shipping. In other words, because we have not had enough active American ships during the past few years we do not have trained personnel to man the vessels we have taken out of the reserve fleet.

Mr. Chairman, all segments of the industry—management and labor—in shipping as well as shipbuilding and repair recognize the need for a separate Maritime Administration; they recognize that ever since 1950, the year in which the Maritime Administration was first buried in the Department of Commerce that the lack of independent status resulted in the deterioration of our cargo vessels so that while in 1950 we were carrying 40 percent of American cargoes, American-flag ships are now carrying only 8 percent of our cargoes.

Russia today has a crash buildup of her merchant marine. The reasons Russia has given for this buildup of its merchant marine fleet are:

First. To free the U.S.S.R. from reliance on foreign-flag ships;

Second. To exert the decisive influence on world level of maritime freight rates; and

Third. To become a major carrier of the commerce of other nations.

We seem as a nation to be willing to engage in a race with Russia to land a man on the moon and spend billions of dollars each year for national prestige but unfortunately when it comes to national security and the national interest as far as a merchant marine is concerned we are allowing the competition to go by the boards.

Mr. Chairman, as one who believes in an American merchant marine in the interest of national defense and development of our domestic and foreign commerce I can only conclude that an independent agency would be the best means of achieving this end. Our shipping is unique and different from other modes of transportation; it is competing with foreign ships. For this reason, while I support a new Department of Transportation for other forms of transportation such as railroads, trucks, and airlines, I believe the only solution for a merchant marine is an independent agency such as would result from H.R. 11696, the Bonner bill, to amend title II of the Merchant Marine Act of 1936 to restore an independent Federal Maritime Administration.

At the close of World War II, this country had a merchant marine fleet of over 3,500 vessels. By 1951, there were 1,955 active U.S.-flag ships. Today there are only 1,000, including those reactivated for the Vietnam war. The United States has dropped to 14th place among the world's major shipbuilding nations while Russia has risen from 12th to 7th place as a maritime nation. The merchant marine shipbuilding effort in this country must be increased. Unless this is done, our defense commitments throughout the world will be in jeopardy. Indeed, our national survival may depend upon the shipping that should be under construction.

This present plight of the American merchant marine demands action. Unfortunately, the present stepchild status would continue under the proposed bill. The proposed transfer does not correct the administration's known and apparent deficiencies in the maritime field. Therefore, I believe that the Maritime Administration should be established as

an independent agency. But unless the House today strikes out the proposal to include the Maritime Administration in the new Department of Transportation, there is no hope of passing the Bonner bill to give this agency independent status.

So, Mr. Chairman, I strongly urge adoption of the amendment to remove the Federal Maritime Administration from the new Department of Transportation.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. PELLY. I am happy to yield to the gentleman from Alabama.

Mr. DICKINSON. Mr. Chairman, I appreciate the gentleman yielding to me.

Mr. Chairman, I appreciate the position of my friend and colleague from Alabama, [Mr. EDWARDS] for allowing me to speak for a moment on the desirability of maintaining an independent and strong American merchant marine.

After a long and brilliant history which saw our Nation become the greatest sea power in the world both through our naval strength and our merchant marine, the first legislative act which established this fine group as an independent agency came in 1936 with the passage of the Merchant Marine Act of that year.

During the war years, our merchant marine was without peer. Who can forget the valor of our merchant seamen as they challenged the German submarines in the Atlantic Ocean, and the Japanese naval and air fleets in the Pacific?

This serves to illustrate the position I take, Mr. Chairman, and to give my basic reason for strongly agreeing with my colleague. The merchant marine is in time of strife and war a well-muscled right arm for our Navy, and it should remain independently able to remain in this position, rather than to be homogenized into a new Federal department—as it would if this bill before us is passed.

If my information is correct, the great majority of our military hardware and supplies now flowing to Vietnam to maintain our war efforts there are being transported by American-flag vessels and American bottoms. This is as it should be, although I must admit that I feel our allies should be contributing to a greater extent than they are. It seems to me that to include the merchant marine in a new Department of Transportation would possibly slow our shipping capability in this area, and would be totally inadvisable. The merchant marine service would seem to merit the consideration it has received from over 20 Members of this body who have taken direct action in an attempt to make it an independent Federal Maritime Administration.

Let it be clearly understood, Mr. Chairman, that I take the floor only on behalf of the position set forth by Mr. EDWARDS. The merits of the bill before us should not be totally dependent on this one proposal, and I shall weigh all factors and arguments prior to casting my vote either for or against final passage of H.R. 15963.

(Mr. DICKINSON asked and was given permission to revise and extend his remarks.)

Mr. HOLIFIELD. Mr. Chairman, I yield to the gentleman from New York.

Mr. FARBSTAIN. Mr. Chairman, I strongly favor establishment of an independent Department of Transportation in the Federal establishment. As a Congressman from the east coast, I appreciate the deplorable state in which our railroads currently find themselves. I see mass transit unable to keep up with burgeoning megalopolis. I see the need for improvement in air service and truck transport. All of these matters require the undivided attention of a high Government official. A Secretary of Transportation, presiding over a cohesive Department of Transportation, will be able to offer that attention.

I cannot agree, however, that the problems of the merchant marine ought to be included in the Department of Transportation. The principal reason is that our merchant fleet is not, like the other forms of transportation I have mentioned, a form of domestic transit. It is a vehicle of foreign commerce. Its activity is, in overwhelming measure, conducted outside the jurisdiction of the United States. Our ships and sailors are normally on the high seas, and in foreign ports as often as they are in American ports. The problems of the merchant marine are thus completely different from those of, say, our railroads. A Department of Transportation would not necessarily be more qualified to deal with them than any other department.

But perhaps more important, the American merchant marine is currently in such a disastrous state that it simply cannot afford to have its problems considered within the framework of transportation matters generally. The American merchant marine, the finest in the world and the finest in our history after World War II, is now behind that of many other nations in number of ships construction underway and tonnage carried. What is worse, we are still slipping, rather than regaining our position of eminence. I think it is agreed by all Americans that this cannot continue. The quality of our merchant fleet is an important factor in our national defense. It is an important factor in our balance of payments, which continues to plague us. It is important in the service that is provided to our manufacturers and important to businessmen throughout the country. From my own immediate point of view, I regard the state of the merchant marine as a matter of enormous concern because much of the port of New York is in my congressional district. Merchant traffic is a source of work for many men and of revenue for many businesses. The decline of the merchant fleet means, in some substantial measure, the decline of New York—which necessarily must be the home port for many American ships. I cannot sit by and watch the decline of any city. Therefore I regard it as imperative that the deterioration of our standing among the seafaring nations of the world be reversed.

I believe the best hope for the rejuvenation of our merchant fleet lies in the establishment of an independent Merchant Marine Administration. The entire industry—labor and management both—agrees with me. Most analysts of merchant marine problems subscribe to this principle. Mr. Chairman, I will, of course, vote for the establishment of a Department of Transportation but I will support the amendment to put merchant marine affairs under separate jurisdiction. The success or failure of this amendment may well determine the fact of America's future role on the high seas. I consider it essential that the American role be a strong and positive one.

(Mr. FARBSTAIN asked and was given permission to revise and extend his remarks.)

Mr. HOLIFIELD. Mr. Chairman, I will shortly move that the Committee rise. I want the membership to know this. It will be done under a mutual agreement and suggestion of the leadership of the House.

Mr. ERLNBORN. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. MAILLIARD].

(Mr. MAILLIARD asked and was given permission to revise and extend his remarks.)

Mr. MAILLIARD. Mr. Chairman, I thank my distinguished colleague from Illinois for yielding this time to me in order that I may express my views on the issue of whether to include or exclude the Maritime Administration from the new proposed Department of Transportation. May I say that I feel very sad that in this instance I must be in disagreement with my distinguished friend and colleague from California, and knowing him as I do and his interest over the years in the merchant marine, I know he is entirely sincere in believing that the bill he brings to the floor provides a solution to what he knows are the very urgent and extreme problems of the merchant marine. Unfortunately, the events of the years since I have been a member of the Merchant Marine Committee give me no confidence that this will provide a solution. The current and persistent decline of the American merchant marine has been for me a matter of deep and genuine concern.

As a Member of Congress and as a private citizen, I feel that this is an issue in which the survival or eventual demise of a private U.S. merchant marine is at stake. It is, therefore, a matter of national concern involving as it does our future stature as a world seapower.

Accordingly, I view this issue as one which transcends the interests of any one political party, and one which is deserving of the bipartisan support exemplified by our own Committee on Merchant Marine and Fisheries, which overwhelmingly has come out in opposition to the transfer of the Maritime Administration to the proposed Department of Transportation.

Instead, it is the considered opinion of our committee, that contrary to the proposal in H.R. 15963, there should be established an independent Federal Maritime Administration.

The question of the status of the Maritime Administration is not a new one as far as I am concerned. As early as 1961, when our Committee on Merchant Marine and Fisheries conducted hearings on Reorganization Plan No. 7, I expressed grave doubts about the placing of the Maritime Administration.

Mr. SAYLOR. Mr. Chairman, I make the point of order that a quorum is not present.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman withhold his point of order for a few moments? We will request shortly that the Committee rise.

Mr. SAYLOR. Mr. Chairman, I might say this is the first time in the history of the Congress that we have ever had a flag officer of the Navy here speaking on something on which he is not only knowledgeable but also one of the best informed Members of the Congress in my lifetime of service here. I feel we should have a sufficient number of people here to hear it.

The CHAIRMAN. Will the gentleman withdraw his point of order?

Mr. SAYLOR. No.

The CHAIRMAN. The Chair will count.

Evidently a quorum is not present. The Clerk will call the roll.

The Clerk called the roll and the following Members failed to answer to their names:

[Roll No. 249]

Arends	Harvey, Ind.	Quillen
Ashmore	Harvey, Mich.	Relnecke
Baring	Horton	Resnick
Battin	Hosmer	Rhodes, Ariz.
Blatnik	Hungate	Rhodes, Pa.
Boggs	Jennings	Rogers, Colo.
Bolling	Keogh	Rogers, Tex.
Callaway	King, N.Y.	Ronan
Cohelan	Kling, Utah	Rostenkowski
Conyers	Krebs	Schisler
Corman	Landrum	Scott
Craley	Long, La.	Senner
Cramer	Love	Shriver
Cunningham	McDowell	Sickles
Diggs	McMillan	Sikes
Dingell	McVicker	Sisk
Duncan, Oreg.	Martin, Ala.	Stephens
Edmondson	Martin, Mass.	Stratton
Everett	Martin, Nebr.	Teague, Calif.
Evins, Tenn.	May	Thomas
Farnsley	Michel	Toll
Findley	Mize	Tuten
Flood	Moeller	Udall
Fraser	Morrison	Utt
Fulton, Tenn.	Moss	Van Deerlin
Gallagher	Murphy, Ill.	Walker, Miss.
Grabowski	O'Konski	Watson
Hagan, Ga.	Olson, Minn.	Weltner
Halleck	O'Neill, Mass.	Willis
Hanna	Poage	Willson
Hansen, Idaho	Powell	Charles H.
Hansen, Wash.	Purcell	Zablocki

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. ALBERT) having assumed the chair, Mr. PRICE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 15963), and finding itself without a quorum, he had directed the roll to be called, when 338 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. PRICE. The gentleman from California is recognized for 7 minutes.

Mr. MAILLIARD. Mr. Chairman, let me assure you that it was not I who sent for you to listen to me speak, but I was saying that in 1961 I expressed very grave doubts over placing the Maritime Administration completely within the Department of Commerce. My very worst fears entertained at that time unfortunately have come to pass.

We were assured at the time of Reorganization Plan No. 7 of 1961 that this represented a change for the better, so that in the years immediately following that reorganization I was content to await these promised improvements. There were none. If anything, the condition of the American Merchant Marine became progressively worse. Even our late and beloved chairman of the committee, the Honorable Herbert C. Bonner, Democrat, of North Carolina, who supported Reorganization Plan No. 7, ultimately was constrained to express his regrets. He said on the floor of the House in October 1965, when introducing his own bill to establish an independent agency, which was less than 3 weeks before his untimely death, and I quote:

Now, after 4 years of experience under reorganization plan No. 7. I must confess regrets over my support of that plan. I feel that our maritime policy must be implemented and administered by an independent agency composed of qualified people appointed by the President and approved in the customary manner with the advice and consent of the Senate and vested with responsibility and authority to carry out the policies and laws laid down by Congress. This does not seem to be possible under a subordinated bureau buried deep in a large department having many other various responsibilities in its jurisdiction.

Herb Bonner was more than just a colleague to me. He was a close and personal friend with whom I shared a deep conviction for the need for a strong American Merchant Marine. If he were with us today, I am sure he, too, would be expressing concerns similar to those entertained by myself and other members of our Committee on Merchant Marine and Fisheries. And, I am certain that he would want us to do all in our power to exclude the Maritime Administration from the Department of Transportation, so as to fulfill his expressed conviction for the need of an independent Federal Maritime Administration.

My own efforts to establish an independent Federal Maritime Administration began almost 2 years ago, when I found I could no longer sit idly by awaiting unfulfilled promises of betterment while our merchant marine was allowed to maintain its present course to ruin. Since that time, I have spoken on the issue from public forums, on the floor of the House, and in sundry articles and statements, culminating in the introduction of my bill last September, which was but the first of several, calling for an independent Federal Maritime Administration. All of this was well in advance of any Department of Transportation proposal, a concept which I had considered earlier but rejected insofar as maritime was concerned.

Thus, when the President transmitted to the Congress on March 2d of this year

his transportation message calling for the establishment of a Department of Transportation to include, among other agencies, the Maritime Administration which is now under the Department of Commerce, I expressed on that very day on the floor of the House my deep and genuine concern over the proposal, since it held little promise for the American merchant marine. It appeared to me then, as now, that this legislation only served to perpetuate the same mistakes of earlier years by denying the American maritime industry the independent voice it rightfully and justly deserves.

These fears expressed over the past several months have not been assuaged by the minimal committee amendments to H.R. 15963 seeking to clarify the role of the Maritime Administration in the proposed Department of Transportation. To the contrary, the bill as reported by our Committee on Government Operations which is now before the House serves only to deepend my concern over the future fate of the American merchant marine.

Therefore, I am forced to conclude that the testimony of knowledgeable members of the American maritime industry, my own personal views expressed in March and June of this year, and Resolution 10 of our Committee on Merchant Marine and Fisheries, all of which were presented to our Committee on Government Operations, either went unheeded or were rejected out-of-hand for the simple expediency of bureaucratic neatness and good order. But merely shifting organizational blocks to build one neat package does not and will not reconstruct the American merchant marine.

There does remain one other plausible explanation for disregarding these earlier views on the fate of the Maritime Administration, and that was furnished by my distinguished friend and colleague from my own State who chaired the subcommittee hearings on the Department of Transportation bill. On two or three occasions during the course of hearings, he indicated, and rightly so, that the issue of whether or not the Maritime Administration should be established as an independent agency was a matter within the jurisdiction of our Committee on Merchant Marine and Fisheries.

In fact, during the course of those hearings in a dialog with Mr. Paul Hall, president of the Seafarers International Union of North America, he stated, and I quote:

Your committees for years have failed to move you toward an independent agency, and I see no evidence that you are going to be moved to your heart's desire.

Well, our Committee on Merchant Marine and Fisheries has moved toward the establishment of an independent Federal Maritime Administration, and in reporting out that measure upon which a rule has been granted, our committee overwhelmingly reaffirmed its opinion set forth in Resolution 10 that the Maritime Administration should be excluded from, not included in, the Department of Transportation.

Exclusion of the Maritime Administra-

tion from the Department of Transportation bill and its establishment as an independent agency is no mere whim on the part of our committee. It is the considered and honest group judgment of all but a few of our members that this is the most effective course of action to take at this time. It was a decision predicated upon voluminous testimony received over the past several months in the course of continuous hearings on "Vietnam—Shipping Policy Review," hearings before our Special Subcommittee on Maritime Education and Training, and finally as a result of comprehensive hearings on more than 20 proposals then pending before our committee to establish an independent Federal Maritime Administration.

The exclusion of the Maritime Administration from the Department of Transportation and its ultimate establishment as an independent agency may not be the panacea for all of the ills facing the American maritime industry. I know of no one who claims this utopian result. We all should recognize that the promotion of our maritime affairs is ultimately a Presidential responsibility. However, excluding the Maritime Administration from the proposed new Department of Transportation so that we may consider restoring its independence does hold forth the promise of providing a more effective vehicle for meeting our current maritime problems and overcoming what I have frequently referred to as a shocking budgetary deemphasis of maritime affairs.

Only last month when appearing before Our Committee on Merchant Marine and Fisheries, the Secretary of Commerce, the Honorable John T. Connor, who now has the responsibility for promoting the American merchant marine, expressed disenchantment with the current structure of the Maritime Administration and particularly that of the Maritime Subsidy Board. Our distinguished Secretary of Commerce went on to note that insofar as the problem of the American merchant marine is concerned, and I quote:

My personal opinion is that the basic principles of the 1936 act represent the only sensible approach to the problem that I see.

All that we, who oppose the transfer of the Maritime Administration to the Department of Transportation, seek to accomplish is to insure that those basic and proven principles of the Merchant Marine Act of 1936 are effectively implemented through vigorous prosecution by a responsible Federal agency. We do not feel this need will be met by H.R. 15963, but at the same time, we do not oppose either the concept of a Department of Transportation or its establishment. Rather, we honestly and sincerely feel that there is ample justification for excluding the Maritime Administration from the proposed Department of Transportation, and that its transfer to that Department in the manner set forth in H.R. 15963 can only result in a further disservice to the American merchant marine. Therefore, I must strongly urge that the Maritime Administration not be transferred to the Department of Trans-

portation as proposed by the bill, H.R. 15963, and that the amendment which will be offered to accomplish this be approved.

I assume that we will have an opportunity on tomorrow to vote on this question.

May I say I realize as well as anyone that the Committee on Government Operations was dealing with a wide variety of subjects which are the substantive responsibility of other committees, and I think to ask them to have the detailed knowledge in depth of all of these subjects and to make positive provision for the various areas encompassed in the new Department was asking almost for the impossible. The one odd-man-out in this whole transportation picture, which is unique in character, which is not responsive to the same economic requirements of domestic transportation, is international shipping. It just does not operate under the same rules of the game as transportation problems within the domestic boundaries of the United States.

Mr. HOLIFIELD. Mr. Chairman, I would just say that the Committee on Government Operations, and the subcommittee of which I was acting chairman, does not claim to know everything about railroads, aviation, maritime, or highway transportation. Our job is not to know the intricate details of these different modes of transportation.

We have had extensive experience in handling reorganization plans, having handled something like 75 in the last few years. Also, we have handled the setting up of the Housing and Urban Development Cabinet-level Department.

We were given, under the rules of the House, the charge of handling this particular bill. We believe we have some skill in the organization and governmental structure field, because this has been our specialty over the years. We believe can act intelligently, logically, and reasonably in the field of the organization of government, without having to know the details on the different modes of transportation.

(Mr. DAWSON (at the request of Mr. HOLIFIELD) was granted permission to extend his remarks at this point in the RECORD.)

Mr. DAWSON. Mr. Chairman, the bill to create a Department of Transportation—H.R. 15963—will, if enacted, prove to be one of the most important measures to come out of the 89th Congress. Our national population today is 195 million. Our best studies indicate that by the year 2000, only 34 years from today, that population will be around 360 million. In fact it is very likely that many present here today in this Chamber will live to see a population in the United States of over 400 million people.

The problems that this population explosion will bring to the country are staggering. Imagine the national and local efforts that will be required to feed, clothe, and house in 45 years a population over twice that we have today. And our Nation, one way or the other, will have to provide education, medical and hospital care, jobs and recreation for these millions of citizens.

To provide all these necessities—foods, materials, and people will have to be moved from one point to another quickly, efficiently and in amounts far, far greater than we move today. Throughout our history, today, and in the future our Nation's transportation systems have been, are, and will be the arteries through which America's life blood flows. Transportation, which constitutes 20 percent of our gross national product, has made possible our great national development and our unprecedented American standard of living. An unparalleled all-out effort must be made to develop and provide transportation systems which will meet our future needs efficiently, safely, and economically.

In reporting out H.R. 15963 the Committee on Government Operations has presented a bill which represents a real, sincere effort on the part of both the majority and minority to bring to the floor the best bill possible on the subject. As our report shows in detail, the committee has reworked the original bill in many ways. We have given stronger recognition and a stronger statutory place in the Department to each of the modes of transportation.

This includes the establishment in the new Department of a Federal Maritime Administration fully coequal with each other major method of transportation—the only solution which will give the maritime industry the Cabinet-level support it needs to regain its place in our national economy.

We have strengthened the National Transportation Safety Board and have added safeguards to insure its independence and its freedom of expression to Congress. We have provided for publicity to its actions. We have added a number of provisions to preserve the relative responsibilities and powers of the executive and legislative branches. We have provided for advance notice of proposed investment standards and criteria and we have assured the rights of individuals dealing with the Department.

Finally, we have given full recognition to the place of the Coast Guard in the Department and to its place in our national transportation and defense systems. H.R. 15963 is now a far better bill than that upon which the committee commenced its work.

As I stated, both the majority and the minority have labored sincerely in this effort to bring out a good, workable bill. There are still some differences among us, but they are relatively minor and I am sure will be resolved on the floor as we consider the measure.

Technically, the bill as reported represents a vast improvement over the earlier versions. Both the regular committee staff and the minority staff worked many long, hard hours to make the bill technically as perfect as possible. Again, as our report indicates, numerous changes were made to clarify the language, to eliminate ambiguities, and to restructure the bill in its most logical form. In this effort we were fortunate that Mr. Edward O. Craft, the House's legislative counsel, assigned Mr. Robert R. Nordhaus to assist the committee. His assistance has been invaluable and I certainly want to

compliment the House on the excellent office which we have established to provide assistance in such matters.

While there may still be some small differences on the bill and perhaps even some minor imperfections, we must recognize that the creation of a Department of Transportation will be a major event in our national history. It is an absolutely essential step in meeting our present and future needs. I, therefore, urge all Members to vote for final passage of H.R. 15963.

Mr. HOLIFIELD. Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. RYAN].

(Mr. RYAN asked and was given permission to revise and extend his remarks.)

Mr. RYAN. Mr. Chairman, I rise in support of H.R. 15963 to establish a Department of Transportation.

When our Government was first formed, four areas—State, Treasury, Attorney General, and War—were designated as separate departments with specified staff and leadership, responsible for assuring the smooth and efficient operation of segments of society essential to the general welfare of the infant Nation. Indeed, at that time they were essential for the continued existence of the country. Since that time seven other Cabinet-level departments—including the Department of Urban Affairs—have been added to provide leadership in other areas of national importance which are equally essential to the general welfare. Now we are asked to create an eighth additional Department.

A Department of Transportation designed to provide more effective management of the transportation functions of the executive branch would bring together the major Federal agencies and activities involving transportation promotion and safety, would incorporate some 100,000 employees and be responsible for some \$6 billion of Federal funds.

President Johnson has said that transportation is, "the web of the Union." A Cabinet-level department, which would combine the scattered Federal agencies responsible for transportation is logical to achieve unity of purpose and direction. It would increase efficiency by consolidating the work of Federal agencies whose responsibilities often overlap. This, of course, would be economically advantageous, and it would provide a single Federal voice in matters of transportation. The present fragmentation of federally controlled transportation matters is an inefficient method of dealing with a segment of the economy to which fully one-sixth of our gross national product is attributable. Coordination is necessary, and I believe that a Cabinet-level Federal department should be able to deal effectively with the large, complex, and rapidly growing transportation system.

One aspect of this bill that I find especially constructive is the emphasis placed upon concerted and strenuous efforts in the area of safety. The new department would include a National Transportation Safety Board. This Board, with its provisions for review of decisions by the

Secretary, its authorization to conduct special safety studies, its responsibility to insure proper conduct of accident investigations and to initiate specific accident investigations that it deems necessary, and its power to recommend legislation, will be of great value in combating a menace which claims tens of thousands of lives each year.

Mr. Chairman, I am concerned about the problem of aircraft noise control and abatement. As a member of the Science and Astronautics Committee, I have fought for increased funds for noise abatement suppression studies by NASA. I continue to think that NASA has an enormously important role in this area, which it has so far failed fully to perform.

Our colleague from New York [Mr. ROSENTHAL] has suggested that there should be an Office of Aircraft Noise Control and Abatement within the new Department. I would support an amendment to this effect. The specific designation of an office to promote such efforts would provide the centralization and coordination that this serious problem requires.

Mr. Chairman, I support H.R. 15963 because I feel that this legislation will lay a broad foundation for dealing with the many transportation problems which face the Nation and because I believe that it will provide greater cohesion for existing programs and a coordinated approach to new research and development in all forms of transportation.

Mr. HOLIFIELD. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan [Mr. TODD].

(Mr. TODD asked and was given permission to revise and extend his remarks.)

Mr. TODD. Mr. Chairman, last fall, when this Congress was considering a bill to amend the Sugar Act, I spoke out against what I called yet another push to what I fear is a developing pattern of inflationary pressure in America.

This was long before the current concern with inflation developed. Nobody paid much attention. But maybe I was not so far wrong. For the July increase in the cost-of-living index—four-tenths of 1 percent—was felt in every household in America. This increase in the cost of living this year has been the greatest since 1957, and I fear there is more to come.

The people in Michigan whom I have the honor to represent are paying a lot more for their food and for other goods and services than they were last year. They have a perfect right to know why, and they have a perfect right to know when this inflation is going to stop. Part of the reason lies in special interest legislation of which the sugar bill was a good example.

What that bill did was to legislate a hidden subsidy for the sugar interests. It resulted in the price of sugar being 3 cents per pound higher in Michigan than across the river in Canada. This hidden subsidy for the sugar interests amounts to about \$4 a year for every man, woman, and child in the United States.

I said then: "Food prices are up; this bill will insure they will stay up." They have. And they have gone even higher, without helping the farmers much, either.

Now we have another proposal before us—to remove the Maritime Administration from the Department of Transportation. This proposal is supported, as far as I can tell, by nobody but the shipping interests. It is like the sugar price hike—a special interest proposal. But why should the shipping interests be opposed to having our shipping system be considered a part of our transportation network? Do they not realize that, under the Maritime Administration, the American shipping industry has been decaying and that the American merchant marine is becoming small and obsolete? Presumably they do.

Why, then, should they object to a reorganization which may result in less administrative confusion and a more effective maritime policy? Why do they object to a reorganization which will increase the likelihood that the \$300 million a year direct subsidy will contribute to the reconstruction of our merchant fleet rather than its continued decay.

Precisely for this reason: They will lose control of how the subsidy is spent, and the money might actually be used for the public interest and not for the benefit of special shipping interests. This is the real issue at stake: Whether, as in the case of the sugar bill, we provide for the few at the expense of the many, or whether we enact legislation which will serve the many without placing an improper burden on the few.

All too often, the agency which allocates public money for public purposes to private groups becomes unduly influenced by these groups, which then try to manipulate the public agencies for their benefit. This, I feel, has happened in the case of the shipping industry.

Splitting off of the Maritime Administration from the Department of Transportation would mean being hoodwinked by a bald and blatant attempt of the shipping interests to protect their own artificially privileged positions. I hope this proposal will suffer resounding defeat.

In our present inflationary situation the general principle of special interest legislation is particularly dangerous to us all. The sugar bill contributed to the inflationary spiral which has fully hit us now; it was a special interest bill. The proposal to split the Maritime Administration out from the Department of Transportation will result in administrative chaos, unwise expenditures of Federal subsidies, perpetuation of noncompetitive pricing arrangements, special high prices for the Defense Department, the placing of unsubsidized ship lines at continuing disadvantage, and a merchant fleet which continues to decay. This proposal is a special interest proposal, and in the long run does not even help the interests it is designed to protect. We should support public, not private, policy.

Therefore, I support the inclusion of the Federal Maritime Administration in

the new Department of Transportation. This is where it belongs—and where it can save money and build the fleet.

Mr. HOLIFIELD. Mr. Chairman, I believe your Committee on Government Operations has developed a fair and reasonable bill.

We were faced with a problem of great complexity.

We made many changes in the original administration bill to remove controversial subject matter.

Our principal objective was to bring together the four great modes of transportation into a Cabinet-level Department.

Our first guiding principle has been to create this Department without impairing by deletion or addition to the great body of statutes pertaining to the operation and regulation of railroads, highway, aviation, and merchant marine shipping.

Our second guiding principle has been to protect the jurisdictional prerogatives of every congressional committee concerned with railroads, aviation, highways, and shipping.

We believe we have been successful in authorizing the Secretary of the new Department to study the Nation's overall transportation problems for the purpose of developing a safe, efficient and modern national transportation policy.

We know that we have safeguards built into this legislation which prevents the Secretary from implementing, on his own authority, any national transportation policy.

He must come to the Congress for implementation. He must come to each jurisdictional House committee and obtain their approval for any change in policy or program, which conflicts with existing statutes or requires new statutes.

Two previous Presidents and our present President have asked for a national transportation policy.

An exploding population which will nearly double in the next 30 years demands that we start today to plan and develop the facilities and procedures necessary to move the people and the goods of tomorrow.

I call on the Members of this House to meet this challenge with courage and with their eyes turned toward the needs of our people for efficient movement of people and goods.

Transportation is the lifeblood of our complex society.

Unless that lifeblood has movement and circulation our complex society will stagnate and die.

Mr. McDOWELL. Mr. Chairman, I fully support H.R. 15963 to establish a Department of Transportation. It recognizes an urgent need to meet and resolve the growing problems stemming from increased population, the need for a balanced transportation system, and for increased modernization and expansion of existing mass transportation systems and facilities.

Heretofore, these problems have been approached on a piecemeal basis, characterized by a duplication of efforts, or the reliance on one form of transportation to the detriment of another equally satisfactory or even better form which

could move more people at less cost to the taxpayers.

New hope is provided by this bill, for under it the major forms of transportation, and the Federal agencies concerned with them, are combined for the first time in our history. As early as 1874 there was a move in Congress to establish a Bureau of Transportation and it is entirely possible that many of the problems facing us today in the field of transportation would not have reached crisis proportions if we had had such a transportation bureau. More recently, attempts to establish such a new Federal agency have been advanced by the Hoover Commission in 1949, and a special study group of the Senate Committee on Commerce in 1961. The step which has brought us to this present effort was the President's transportation message to the Congress earlier this year.

The bill we are considering here today incorporates a bill which I introduced earlier this year to establish a new Cabinet-level department. It will not interfere with the regulatory functions of the Federal agencies, but will enhance them, and it assures organizational identity of the major modes of transportation.

Delawareans are interested in this legislation because it is served by a great coastal highway, and a railroad system, but the transportation problems of our State are perhaps as acute as those of any State in our Nation.

It is my hope and expectation, in sponsoring this legislation, and voting for it, that it will provide prompt aid in developing for all our citizens an efficient, balanced, and rapid mass transit system.

Improved transportation is of vital interest to the First State. Thousands of people come into Delaware as employees, and as visitors to our beaches and resort facilities, and to see at first hand the historic sites and buildings where so much of our Nation's history remains available for all to see. Thousands more would come to our State, to partake of its warm and friendly hospitality, with the development of rapid and efficient mass transit systems serving the teeming cities of the Eastern Seaboard.

Our highways must be made safer, and our transportation systems must be coordinated and balanced, if we are to provide high-quality, low-cost transportation service for all American families. It is certainly high time our mass transit was made as safe, fast, and inexpensive as the mass transit systems in Europe and Japan.

This legislation looks to the future when, according to current studies, our country will have 362 million people by the year 2000. With the demands such a population growth will demand, we cannot afford the luxury of the kind of helter-skelter planning and inefficient and overly expensive systems which we have in so many areas of our country today.

Mr. RHODES of Arizona. Mr. Chairman, at a recent meeting of the House Republican policy committee a policy statement regarding the Department of

Transportation was adopted. As chairman of the policy committee, I would like to include at this point in the RECORD the complete text of this statement.

REPUBLICAN POLICY COMMITTEE STATEMENT ON DEPARTMENT OF TRANSPORTATION

Historically, the Republican Party has encouraged the development of American transportation. In the 1860s Republicans aided the opening of the West by providing land grant incentives for rail transportation. In the early 1900s, the construction of the Panama Canal under the leadership of President Theodore Roosevelt promoted our vital sea transportation. The highly successful interstate highway system was inaugurated in 1956 under a Republican administration. And in 1959 the St. Lawrence Seaway was placed in operation.

For many years it has been apparent that there was a need for better coordination among the various governmental agencies that deal with transportation. As a result, various proposals have been advanced to coordinate the vast transportation bureaucracy which uses, promotes, regulates, and operates transportation in the United States and throughout the free world. The Hoover Commission Task Force on Transportation recommended the creation of a department in 1946. And in his final budget message to Congress, President Eisenhower stated: "A Department of Transportation should be established so as to bring together at cabinet level the presently fragmented federal functions regarding transportation activities." Now, five years after the Eisenhower message, the Johnson-Humphrey Administration has endorsed this proposal. Certainly, the creation of an efficient and effective Department of Transportation has been delayed much too long.

Unfortunately, the bill that the Johnson-Humphrey Administration proposed, and that has now been reported by the Government Operations Committee, is faulty and inadequate in a number of important respects and should be improved. In this bill, important transportation activities have been excluded and those modes of transportation brought under the Department do not have adequate representation. The proposed transfer of aviation accident investigations to the new Department cannot be justified. The broad powers granted the Secretary of Transportation under Section 7 invade the policy-making authority of Congress. And the proposed transfer of the Maritime Administration to the new Department would perpetuate the present trouble-ridden mismanagement of the maritime crisis.

Therefore, while we favor and support legislation that would establish a Department of Transportation, we believe that such legislation should contain the following safeguards and improvements:

1. The aviation accident investigation function of the Civil Aeronautics Board should remain independent. In the event the CAB's Bureau of Safety is transferred to the new Department, as contemplated by the proposed legislation, this country would return to the totally unsatisfactory arrangement that existed prior to 1958. At that time, as a result of complaints and accusations from industry representatives, government personnel and outside observers, Congress enacted the Federal Aviation Act. Under this Act, an independent Federal Aviation Agency was established to regulate and control the airways and the various promotional aspects of aviation. By the same Act, the independent CAB was created. It was charged with the economic regulation of aviation and the conduct of aviation accident investigations. The CAB then created a Bureau of Safety to conduct such investi-

gations. This Bureau has acquired an outstanding reputation for experience, thoroughness, and impartiality in the investigation of aviation accidents. Since the establishment of these twin but independent bodies, aviation has prospered and air safety has advanced. These advances would be jeopardized if these important functions are brought together again within a new Department.

2. To date, little has been done with respect to the problem created by aircraft noise, and no one in government has assumed direct responsibility for taking action. This important problem should receive immediate and continuing attention within the new Department. Adequate research and the establishment of reasonable standards to reduce aircraft noise should be given a high priority.

3. Throughout the hearings on the proposed bill, Section 7 was criticized severely. It was opposed by witness after witness, including the Transportation Association of America whose membership represents all modes of transportation plus shippers and investors. Under this section, the Secretary could adopt national transportation investment standards and criteria without seeking Congressional approval. He would have the authority to determine whether the investment of federal money should be made on behalf of one mode of transportation or another. He could impose his standards of investment on other agencies of government who administer investment programs enacted by Congress. This section should be stricken from the bill.

4. The Administration bill would leave the urban mass transportation program within the newly-established Department of Housing and Urban Development. Certainly, urban transportation is an integral part of mass transportation. The close relationship and interdependence between urban mass transportation and other forms of transportation dictate that the urban mass transportation should be transferred from the Department of HUD to the new Department. This program only recently has been assigned to HUD. Now is the time to make this transfer to the new Department.

5. As the April 20, 1966 House Republican Policy Committee statement pointed out: "America is facing a crisis of major proportions with respect to its vital Merchant Marine. At the close of World War II, this country had a Merchant Marine fleet of over 3,500 vessels. By 1951, there were 1,955 active U.S. flag ships. Today there are only 1,000, including those reactivated for the Viet Nam War. The U.S. has dropped to 14th place among the world's major shipbuilding nations while Russia has risen from 12th to 7th place as a maritime nation. . . . The Merchant Marine shipbuilding effort in this country must be increased. Unless this is done, our defense commitments throughout the world will be in jeopardy. Indeed, our national survival may depend upon the shipping that should be under construction but which the Johnson-Humphrey Administration has scuttled. We demand that steps be taken to correct this disastrous situation."

Although faced with this major crisis, the proposed bill does little more than transfer the problems to a new Department. There is nothing in the bill that reflects a sense of urgency or that calls for a redirection of effort. Moreover, there is no indication that the functions of the Maritime Administration will even be handled by one man with clear-cut authority. The present plight of the American Merchant Marine demands action. Unfortunately, the present stepchild status would continue under the proposed bill. The proposed transfer does not correct the Johnson-Humphrey Administration's

known and apparent deficiencies in the maritime field. Therefore, we believe that the Maritime Administration should be established as an independent agency.

Mr. MULTER. Mr. Chairman, for too long we have neglected our merchant marine—a neglect which I believe we can no longer tolerate. It is for this reason, Mr. Chairman, that I strongly support the establishment of an independent Federal Maritime Administration and urge that it not be included in the new Department of Transportation, which we will establish by this bill.

The future of our merchant marine is of the utmost concern to all Americans and particularly to maritime labor. This concern is reflected in the following article from the August 19, 1966, edition of *Seafarers Log*, the newspaper of the Seafarers International Union. The article points up the warning of impending Soviet control of world shipping issued by two of our distinguished colleagues.

The article follows:

U.S. DECLINE CITED AS DANGEROUS—CONGRESSMEN WARN OF SOVIET CONTROL OF WORLD SHIPPING IN NEAR FUTURE

WASHINGTON.—Two members of the House Merchant Marine Committee have warned that Russia will surpass the U.S. in shipping and control of the world's sealanes in the near future unless the United States does something to halt the rapid decline of the American-flag merchant fleet.

The warning came in a report issued by Representatives PAUL ROGERS (D-Fla.) and HASTINGS KEITH (R-Mass.), who recently returned from an inspection tour of maritime installation in the Soviet Union and communist-bloc nations.

The Congressmen made their prediction of the possible Soviet domination of world shipping rates in a 26-page report that touches on fishing, oceanography and the merchant marine. The ultimate aim of the Russian sea build-up, the report said, was to dominate the sea-lanes so completely that nations whose merchant fleets have dwindled away or become unable to compete with Soviet shipping will have to use Soviet Bloc ships.

When this happens Communist nations will be able to withhold ocean freight services from any country not following the Moscow line. By 1980, the Soviets hopes to develop a merchant fleet of more than 200 million tons—the equivalent of the massive British-flag merchant fleet today.

American shipyards now have only 41 merchant ships under construction the report noted, while the Soviet Union had 464 merchant ships of over 1,000 tons on order at the end of 1965. The obsolescence of the United States-flag merchant fleet was underscored by the report. At present about 70 per cent of all American merchant ships are more than 20 years old while 80 per cent of Russia's merchant vessels are less than ten years old.

GOVERNMENT INACTION

The report detailed the gloom that has spread over the entire American maritime industry because of government inaction and the lack of support for the American-flag merchant marine on the part of the Administration.

The most alarming aspect of the report was the revelation that the Soviet Union knows full well the military advantages of their merchant fleet while the United States does not.

It states that "the Soviets recognize that the merchant marine is a major instrument of power. Over 200 ships of the Soviet merchant fleet deliver military supplies ranging from missiles and patrol boats, to hand

grenades and machine guns. They deliver fuel for industry and for tanks, they deliver trucks and roadbuilding equipment to develop inland transportation networks. They deliver prefabricated factories, tractors and combines. Soviet ships carry military supplies, troops and scientific and industrial advisors to far continents. They return oftentimes with students."

Fishing is treated as a science in the Soviet Union. Russia, the Congressmen said, is constructing large trawlers and factory ships that will move further and further South from Soviet waters until they start working all of the world's fishing grounds.

Fish farming is one aspect of this drive. The Soviets are developing artificial breeding techniques and are working on ways to forecast the exact locations of schools and discover how fish migrate by studying oceanographic and meteorological data. Because of this effort in the fishing industry the Russians have quadrupled their annual fish catch in 25 years, making it fourth among the world's fishing nations behind Peru, Japan and Red China. The United States on the other hand, with the world's best coastal fishery resources, has become the world's greatest fish importing nation.

The legislators praised a recent Congressional Measure, the Marine Resources and Engineering Development Act, which will enable a committee to coordinate and review the nation's many current oceanographic activities and coordinate them.

The report recommended that the United States:

"Give our merchant marine the support it deserves or we one day may find ourselves having to depend on Soviet shipping."

Improve the systems of distributing oceanographic research results to Government agencies and the general public as well as share such information with the Free World.

Give immediate attention to the solving of administration policy disputes so that we can proceed with a program to support our merchant marine.

Create a tax system which will encourage the construction of American-flag fishing vessels.

Conduct a complete and thorough study of the U.S. fishing industry.

For conservation purposes, adopt a 12-mile offshore limit to protect our coastal fisheries the way the Russians have.

Strive to develop greater public support for international conferences aimed at settling problems of conservation of the world's ocean resources.

Mr. Chairman, the seriousness with which this matter is taken by the Seafarers International Union is reflected in the report of its president, Paul Hall, which also appeared in the August 19, 1966, issue of the *Seafarers Log*. That report follows:

REPORT OF INTERNATIONAL PRESIDENT

(By Paul Hall)

The United States got another warning recently about the continuing Soviet push to rule the world's sealanes in the near future. The warning, contained in a report by two Congressmen who toured Russian and Soviet-bloc shipping and shipbuilding facilities last January, echoes the many previous warnings issued by the SIU and other maritime unions about the heavy emphasis the Soviet Union is placing on building a huge merchant fleet as a political and military weapon.

So far these warnings have all gone unheeded by the U.S. Government, which has done nothing even to halt the steady decline of our own merchant fleet. Judging from the report of Representatives HASTINGS KEITH (R. Mass.) and PAUL G. ROGERS (D. Mass.) both members of the House Merchant Marine Committee, a visit to Soviet-bloc ship-

ping and shipbuilding facilities might be just what many U.S. Government administrators need to finally open their eyes to the increasing danger to U.S. security inherent in our continuing neglect of maritime.

KEITH and ROGERS point out, for instance, that the massive maritime buildup currently underway in Russia will soon provide her with a large enough fleet to prosecute successfully a military war, or an economic cold war.

The Congressmen found the Soviet-bloc shipyards booming in sharp contrast to U.S. shipyards, which are rapidly losing their skilled workers to other fields and are unable to replace obsolete equipment because of lack of work. At shipyards in Gdansk and Gdynia, Poland, they saw modern yards that have launched over 2.5 million tons of shipping since World War II. The Red-flag fleet now stands at 8½ million deadweight tons, with a 1980 goal of over 20 million tons—equal to Great Britain's huge present day fleet.

The purposes to which the Soviet Union could put such a huge fleet in the future are clear in terms of world trade and politics. The Congressmen point out in their report that Russia seeks to dominate the sealanes so completely that nations whose merchant fleets have vanished or who become unable to compete with Soviet freight rates will require the services of communist-bloc shipping. Communist dominance of shipping also could enable the Soviet Union and her satellites to withhold ocean freight services from any nation out of favor with Soviet policies.

Noting that this massive increase in Soviet maritime power has come about because of the strong backing and solid support of the Soviet Government, the Congressmen suggest that the U.S. Government must provide more direction if America is to meet this Soviet challenge.

This is a position which the SIU has held in the past and continues to hold. A progressive U.S. Government policy toward maritime is long overdue. The vital need for such a policy to halt the continuing decline of U.S. maritime becomes doubly obvious in view of the facts of the Soviet maritime buildup.

Mr. HOLIFIELD. Mr. Chairman, I have no further requests for time.

Mr. ERLÉNBOEN. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

H.R. 15963

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Department of Transportation Act".

Mr. HOLIFIELD. Mr. Chairman, I move to strike the last word.

Mr. ERLÉNBOEN. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Illinois.

Mr. ERLÉNBOEN. I should like to ask the gentleman if it is not true that many amendments to be offered to this bill will require amending the bill in more than one section and, therefore, whether it would not be desirable for the bill to be considered as read and open to amendment at any point? Would that not facilitate the amending process?

Mr. HOLIFIELD. The gentleman has stated the situation correctly. Many amendments will have to be presented to a number of different sections at one time. It would seem it would expedite the work of the committee tomorrow,

when we go into the amending process, for me to ask that the bill be considered as read and open for amendment at any point.

The CHAIRMAN. Does the gentleman make that request?

Mr. HOLIFIELD. I make that request, Mr. Chairman.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. GROSS. Mr. Chairman, reserving the right to object, do I correctly understand it is about to be proposed that the Committee rise, and that we dispense with further consideration of this bill today?

Mr. HOLIFIELD. Mr. Chairman, if the gentleman will yield, the manager of the bill has been requested by the leadership on both sides to make that request at this time. I always try to cooperate with the leadership.

Mr. GROSS. May I ask the gentleman the reason. Is there no sense of urgency about getting legislation untracked and on the way in this session of Congress, so that we can get out of here some time before the snow flies?

Mr. HOLIFIELD. The gentleman knows that I want to expedite this legislation. I have been in the position of having the time scheduled by the leadership. I have tried, as I always do, to cooperate.

Mr. GROSS. I appreciate the gentleman's reply, but I still have no answer to the question of why the Committee is to rise now, without going to the 5-minute rule on this bill this afternoon, when there is still time for further consideration.

Mr. HOLIFIELD. I will be glad to yield to the minority leader or to the majority leader at this time.

Mr. GROSS. I believe I have the floor. I will be glad to yield, if anyone can shed any light on the parliamentary situation that exists and the change that is about to take place. I will yield to anyone who cares to contribute something.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I am glad to yield to the distinguished majority leader.

Mr. ALBERT. Of course, it is late in the day. We hope to start the amending process tomorrow. A number of Members have expressed the desire not to go on late this evening.

I think we can accomplish just as much by coming in tomorrow. There are many out-of-town visitors, the American Legion, and there are other reasons why Members would like not to go late tonight.

Mr. GROSS. The Committee rising at this hour of the afternoon is not for the purpose of convenience for someone to do something about this bill from outside of the Congress. Is that correct?

Mr. ALBERT. Well, not that I know of. It would not make any difference whether we went an hour more or not, if there were any such plans as that.

Mr. GERALD R. FORD. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the minority leader.

Mr. GERALD R. FORD. I have no objection to considering the bill as read, providing that we have the assurance from the gentleman from California that in the consideration of the various amendments, wherever they might come, he will be very liberal in his interpretation of how much time ought to be consumed in the consideration of them.

Mr. HOLIFIELD. Having used 2 or 3 weeks in trying to get this bill to the amending stage, I can say to the gentleman I am in no hurry and I will, as always, try to be fair to the membership as far as the granting of time for adequate debate is concerned. I have no desire to cut off debate.

Mr. GROSS. Mr. Chairman, further reserving the right to object, the way things are going will lead me in the near future to ask permission to contribute and install a Christmas tree in the House of Representatives so that we can begin decorating it.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the remainder of the bill, as follows:

DECLARATION OF PURPOSE

SEC. 2. The Congress hereby declares that the general welfare, the economic growth and stability of the Nation and its security require the development and implementation of national transportation policies and programs conducive to the provision of fast, safe, efficient, and convenient transportation at the lowest cost consistent therewith and with other national objectives, including the efficient utilization and conservation of the Nation's resources.

The Congress therefore finds that the establishment of a Department of Transportation is necessary in the public interest and to assure the coordinated, effective administration of the transportation programs of the Federal Government; to facilitate the development and improvement of coordinated transportation service, to be provided by private enterprise to the maximum extent feasible; to encourage cooperation of Federal, State, and local governments, carriers, labor, and other interested parties toward the achievement of national transportation objectives; to stimulate technological advances in transportation; to provide general leadership in the identification and solution of transportation problems; and to develop and recommend national transportation policies and programs to accomplish these objectives with full and appropriate consideration of the needs of the public, users, carriers, industry, labor, and the national defense.

ESTABLISHMENT OF DEPARTMENT

SEC. 3 (a) There is hereby established at the seat of government an executive department to be known as the Department of Transportation, (hereafter referred to in this Act as the "Department"). There shall be at the head of the Department a Secretary of Transportation (hereafter referred to in this Act as the "Secretary"), who shall be appointed by the President, by and with the advice and consent of the Senate.

(b) There shall be in the Department an Under Secretary, who shall be appointed by the President, by and with the advice and consent of the Senate. The Under Secretary (or, during the absence or disability of the Under Secretary, or in the event of a vacancy in the office of Under Secretary, an Assistant

Secretary or the General Counsel, determined according to such order as the Secretary shall prescribe) shall act for, and exercise the powers of the Secretary, during the absence or disability of the Secretary or in the event of a vacancy in the office of Secretary. The Under Secretary shall perform such functions, powers, and duties as the Secretary shall prescribe from time to time.

(c) There shall be in the Department four Assistant Secretaries and a General Counsel, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall perform such functions, powers, and duties as the Secretary shall prescribe from time to time.

(d) There shall be in the Department an Assistant Secretary for Administration, who shall be appointed, with the approval of the President, by the Secretary under the classified civil service who shall perform such functions, powers, and duties as the Secretary shall prescribe from time to time.

(e) The Secretary shall establish within the Department (1) a Federal Highway Administration, (2) a Federal Railroad Administration, (3) a Federal Maritime Administration, and (4) a Federal Aviation Administration. Each of these components shall be headed by an Administrator who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall report directly to the Secretary and shall have such duties and powers as he may prescribe.

(f) The Secretary shall establish within the Department an Office of Accident Investigation, which shall be independent of the Federal Aviation Administration. The office shall, among its duties, investigate aviation accidents in accordance with rules and regulations prescribed by the Secretary.

GENERAL PROVISIONS

SEC. 4. (a) The Secretary in carrying out the purposes of this Act shall, among his responsibilities, exercise leadership under the direction of the President in transportation matters, including those affecting the national defense and those involving national or regional emergencies; develop national transportation policies and programs, and make recommendations to the President and Congress for their implementation; promote and undertake development, collection, and dissemination of technological, statistical, economic, and other information relevant to domestic and international transportation; promote and undertake research and development relating to transportation, including noise abatement, with particular attention to aircraft noise; and consult with the heads of other Federal departments and agencies on the transportation requirements of the Government.

(b) In exercising the functions, powers, and duties conferred on and transferred to the Secretary by this Act, the Secretary shall give full consideration to the need for operational continuity of the functions transferred, to the need for effectiveness and safety in transportation systems, and to the needs of the national defense.

(c) Orders and actions of the Secretary or the National Transportation Safety Board (established by section 5 of this Act) in the exercise of functions, powers, and duties transferred under this Act shall be subject to judicial review to the same extent and in the same manner as if such orders and actions had been by the department or agency exercising such functions, powers, and duties immediately preceding their transfer. Any statutory requirements relating to notice, hearings, action upon the record, or administrative review that apply to any function transferred by this Act shall apply to the exercise of such functions by the Secretary or the National Transportation Safety Board.

(d) In the exercise of the functions, powers, and duties transferred under this Act, the Secretary shall have the same authority as that vested in the department or agency exercising such functions, powers, and duties immediately preceding their transfer, and his actions in exercising such functions, powers, and duties shall have the same force and effect as when exercised by such department or agency.

(e) Nothing in this Act shall be construed to authorize, without appropriate action by Congress, the adoption or revision of a national transportation policy. Nor shall the Secretary promulgate investment standards or criteria pursuant to section 7 of this Act which are contrary to or inconsistent with Acts of Congress relating to standards or criteria for transportation investments.

NATIONAL TRANSPORTATION SAFETY BOARD

SEC. 5. (a) There is hereby established within the Department a National Transportation Safety Board (referred to hereafter in this Act as "Board").

(b) There are hereby transferred to, and it shall be the duty of the Board to exercise, the functions, powers, and duties transferred to the Secretary by sections 6 and 8 of this Act with regard to—

(1) determining the cause or probable cause of transportation accidents and reporting facts, conditions, and circumstances relating to such accidents; and

(2) the review on appeal of the suspension, amendment, modification, revocation, or denial of any certificate or license issued by the Secretary.

(c) The Board is further authorized to—

(1) make such recommendations to the Secretary as, in its opinion, will tend to prevent transportation accidents;

(2) conduct special studies on matters pertaining to safety in transportation and the prevention of accidents;

(3) insure that in cases in which it is required to determine cause or probable cause, reports of investigation adequately state the circumstances of the accident involved. Where additional information is needed, the Board may require the Secretary to conduct further investigations or to take such other measures as are required in the opinion of the Board to insure development of all facts and circumstances surrounding the accident;

(4) make recommendations to the Secretary concerning policies, programs, and procedures for transportation safety, and rules, regulations, and procedures for the conduct of accident investigations;

(5) require the Secretary to initiate specific accident investigations as the Board determines to be necessary or appropriate;

(6) arrangement for the personal participation of members or other personnel of the Board in accident investigations conducted by the Department in such cases as it deems appropriate; and

(7) require from the Secretary notification of transportation accidents and reports of such accidents as the Board deems necessary.

(d) In the exercise of any of its functions, powers, and duties, the Board shall be independent of the Secretary and the other offices and officers of the Department, and shall give full consideration to the requirements imposed on the Secretary by section 4(b) of this Act.

(e) The Board shall report to the Congress two years after the effective date of this Act on the conduct of its functions under this Act and the effectiveness of accident investigations in the Department, together with such recommendations for legislation as it may deem appropriate. An interim report shall be submitted to the Congress one year after the effective date of this Act.

(f) The Board shall consist of five members to be appointed by the President, by and

with the advice and consent of the Senate. Members of the Board shall be appointed with due regard to their fitness for the efficient dispatch of the functions, powers, and duties vested in and imposed upon the Board, and may be removed by the President for inefficiency, neglect of duty, or malfeasance in office.

(g) Members of the Board shall be appointed for terms of five years, except that (1) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term, and (2) the five members first appointed shall serve for terms (designated by the President at the time of appointment) ending on the last day of the first, second, third, fourth, and fifth calendar years beginning after the year of enactment of this Act. Upon the expiration of his term of office a member shall continue to serve until his successor is appointed and shall have qualified.

(h) The President shall designate from time to time one of the members of the Board as Chairman and one of the members as Vice Chairman, who shall act as Chairman in the absence or incapacity of the Chairman, or in the event of a vacancy in the office of the Chairman. The Chairman shall be the chief executive and administrative officer of the Board and shall exercise the responsibility of the Board with respect to (1) the appointment and supervision of personnel employed by the Board; (2) the distribution of business among the Board's personnel; and (3) the use and expenditure of funds. In executing and administering the functions of the Board on its behalf, the Chairman shall be governed by the general policies of the Board and by its decisions, findings, and determinations. Three of the members shall constitute a quorum of the Board.

(i) The Chairman of the Board shall be compensated at the rate provided for level IV of the Federal Executive Salary Schedule. Members of the Board shall be compensated at the rate provided for level V of such Schedule.

(j) The Board is authorized to establish such rules, regulations, and procedures as are necessary to the exercise of its functions.

(k) In carrying out its functions, the Board (or, upon the authorization of the Board, any member thereof or any hearing examiner assigned to or employed by the Board) shall have the same powers as are vested in the Secretary to hold hearings, sign and issue subpoenas, administer oaths, examine witnesses, and receive evidence at any place in the United States it may designate.

(l) Subject to the proviso in section 701 (g) of the Federal Aviation Act of 1958 (72 Stat. 731, 49 U.S.C. 1441(g)), the Board may delegate to any officer or official of the Board or, with the approval of the Secretary, to any officer or official of the Department such of its functions as it may deem appropriate.

(m) Subject to the civil service and classification laws, the Board is authorized to select, appoint, employ, and fix compensation of such officers and employees, including attorneys and hearing examiners, as shall be necessary to carry out its powers and duties under this Act.

(n) The Board is authorized, on a reimbursable basis when appropriate, to use the available services, equipment, personnel, and facilities of the Department and of other civilian or military agencies and instrumentalities of the Federal Government, and to cooperate with the Department and such other agencies and instrumentalities in the establishment and use of services, equipment, and facilities of the Board. The Board is further authorized to confer with and avail itself of the cooperation, services, records, and facilities of State, territorial, municipal, or other local agencies.

TRANSFERS TO DEPARTMENT

SEC. 6. (a) There are hereby transferred to and vested in the Secretary all functions, powers, and duties of the Secretary of Commerce and other offices and officers of the Department of Commerce under—

(1) the following laws and provisions of law relating generally to highways:

(A) Title 23, United States Code.

(B) The Federal-Aid Highway Act of 1962 (76 Stat. 1145, 23 U.S.C. 307 note).

(C) The Act of July 14, 1960 (74 Stat. 526, 23 U.S.C. 313 note).

(D) The Federal-Aid Highway Act of 1954 (68 Stat. 70).

(E) The Act of September 26, 1961 (75 Stat. 670).

(F) The Highway Revenue Act of 1956 (70 Stat. 387, 23 U.S.C. 120 note).

(G) The Highway Beautification Act of 1965 (79 Stat. 1028, 23 U.S.C. 131 et seq. notes).

(H) The Alaska Omnibus Act (73 Stat. 141, 48 U.S.C. 21 note prec.).

(I) The Joint Resolution of August 28, 1965 (79 Stat. 578, 23 U.S.C. 101 et seq. notes).

(J) Section 525(c) of the General Bridge Act of 1946 (60 Stat. 847, 33 U.S.C. 525(c)).

(K) The Act of April 27, 1962 (76 Stat. 59).

(L) Reorganization Plan No. 7 of 1949 (63 Stat. 1070, 5 U.S.C. 133z-15 note).

(2) the following laws and provisions of law relating generally to ground transportation:

(A) The Act of September 30, 1965 (79 Stat. 893, 49 U.S.C. 1631 et seq.).

(B) Section 8 of the Urban Mass Transportation Act of 1964 (78 Stat. 306, 49 U.S.C. 1607).

(3) the following laws and provisions of law relating generally to aircraft:

(A) The Act of September 7, 1957 (71 Stat. 629, 49 U.S.C. 1324 note).

(B) Section 410 of the Federal Aviation Act of 1958 (72 Stat. 769, 49 U.S.C. 1380).

(C) Title XIII of the Federal Aviation Act of 1958 (72 Stat. 800, 49 U.S.C. 1531 et seq.).

(4) the following law relating generally to pilotage: The Great Lakes Pilotage Act of 1960 (74 Stat. 259, 46 U.S.C. 216 et seq.).

(5) the following laws and provisions of law relating generally to the Merchant Marine:

(A) The Merchant Marine Act, 1920 (41 Stat. 988, 46 U.S.C. 861 et seq.).

(B) The Merchant Marine Act, 1928 (45 Stat. 689, 46 U.S.C. 891 et seq.).

(C) The Merchant Marine Act, 1936 (49 Stat. 1985, 46 U.S.C. 1101 et seq.).

(D) The Shipping Act, 1916 (39 Stat. 728, 46 U.S.C. 801 et seq.).

(E) The Merchant Ship Sales Act of 1946 (60 Stat. 41, 50 U.S.C. App. 1735 et seq.).

(F) The Maritime Academy Act of 1958 (72 Stat. 622, 46 U.S.C. 1381 et seq.).

(G) The Act of June 12, 1940 (54 Stat. 346, 46 U.S.C. 1331 et seq.).

(H) The United States Fishing Fleet Improvement Act (74 Stat. 212, 46 U.S.C. 1401 et seq.).

(I) The Act of September 14, 1961 (75 Stat. 514, 46 U.S.C. 1126b-1).

(J) The Act of June 13, 1957 (71 Stat. 73, 46 U.S.C. 1177a), to the extent it relates to operating-differential subsidies.

(K) The Act of June 2, 1951 (65 Stat. 59, 46 U.S.C. 1241a), to the extent it relates to the vessel operations revolving fund.

(L) The Act of July 24, 1956 (70 Stat. 605, 46 U.S.C. 249 et seq.).

(M) The Act of August 9, 1954 (68 Stat. 675, 50 U.S.C. 196 et seq.).

(N) Section 500 of the Transportation Act, 1920 (41 Stat. 499, 49 U.S.C. 142).

(O) Reorganization Plan No. 21 of 1950 (64 Stat. 1273, 46 U.S.C. 1111 note).

(P) Reorganization Plan No. 7 of 1961 (75 Stat. 840, 46 U.S.C. 1111 note).

(Q) Reorganization Plan No. 6 of 1949 (63 Stat. 1069, 46 U.S.C. 111 note).

(6) the following law to the extent it authorizes scientific and professional positions which relate primarily to functions transferred by this subsection: The Act of August 1, 1947 (61 Stat. 715, 5 U.S.C. 1161).

(b)(1) The Coast Guard is hereby transferred to the Department, and there are hereby transferred to and vested in the Secretary all functions, powers, and duties, relating to the Coast Guard, of the Secretary of the Treasury and of other officers and offices of the Department of the Treasury.

(2) Notwithstanding the transfer of the Coast Guard to the Department and the transfer to the Secretary of the functions, powers, and duties, relating to the Coast Guard, of the Secretary of the Treasury and of other officers and offices of the Department of the Treasury, effected by the provisions of paragraph (1) of this subsection, the Coast Guard, together with the functions, powers, and duties relating thereto, shall operate as a part of the Navy, subject to the orders of the Secretary of the Navy, in time of war or when the President shall so direct, as provided in section 3 of title 14, United States Code.

(3) Notwithstanding any other provision of this Act, the functions, powers, and duties of the General Counsel of the Department of the Treasury set out in chapter 47 of title 10, United States Code (Uniform Code of Military Justice) are hereby transferred to and vested in the General Counsel of the Department.

(c)(1) There are hereby transferred to and vested in the Secretary all functions, powers, and duties of the Federal Aviation Agency, and of the Administrator and other officers and offices thereof.

(2) Nothing in this Act shall affect the power of the President under section 302(e) of the Federal Aviation Act of 1958 (49 U.S.C. 1343(c)) to transfer, to the Department of Defense in the event of war, any functions transferred by this Act from the Federal Aviation Agency to the Secretary.

(d) There are hereby transferred to and vested in the Secretary all functions, powers, and duties of the Civil Aeronautics Board, and of the Chairman, members, officers, and offices thereof under the following provisions of law relating generally to aviation safety: Titles VI and VII of the Federal Aviation Act of 1958 (72 Stat. 776, 49 U.S.C. 1421 et seq.).

(e) There are hereby transferred to and vested in the Secretary all functions, powers, and duties of the Interstate Commerce Commission, and of the Chairman, members, officers, and offices thereof, under—

(1) the following laws relating generally to safety appliances and equipment on railroad engines and cars, and protection of employees and travelers:

(A) The Act of March 2, 1893 (27 Stat. 531, 45 U.S.C. 1 et seq.).

(B) The Act of March 2, 1903 (32 Stat. 943, 45 U.S.C. 8 et seq.).

(C) The Act of April 14, 1910 (36 Stat. 298, 45 U.S.C. 11 et seq.).

(D) The Act of May 30, 1908 (35 Stat. 476, 45 U.S.C. 17 et seq.).

(E) The Act of February 17, 1911 (36 Stat. 913, 45 U.S.C. 22 et seq.).

(F) The Act of March 4, 1915 (38 Stat. 1192, 45 U.S.C. 30).

(G) Reorganization Plan No. 3 of 1965 (79 Stat. 1320).

(H) Joint Resolution of June 30, 1906 (34 Stat. 838, 45 U.S.C. 35).

(I) The Act of May 27, 1908 (35 Stat. 325, 45 U.S.C. 36 et seq.).

(J) The Act of March 4, 1909 (35 Stat. 965, 45 U.S.C. 37).

(K) The Act of May 6, 1910 (36 Stat. 350, 45 U.S.C. 38 et seq.).

(2) the following law relating generally to hours of service of employees: The Act of March 4, 1907 (34 Stat. 1415, 45 U.S.C. 61 et seq.).

(3) the following law relating generally to medals for heroism: The Act of February 23, 1905 (33 Stat. 743, 49 U.S.C. 1201 et seq.).

(4) the following provisions of law relating generally to explosives and other dangerous articles: Sections 831-835 of title 18, United States Code.

(5) the following laws relating generally to standard time zones and daylight saving time:

(A) The Act of March 19, 1918 (40 Stat. 450, 15 U.S.C. 261 et seq.).

(B) The Act of March 4, 1921 (41 Stat. 1446, 15 U.S.C. 265).

(C) The Uniform Time Act of 1966 (80 Stat. 107).

(6) the following provisions of the Interstate Commerce Act—

(A) relating generally to car service: Sections 1(10), 1(11), 1(12), 1(13), 1(14)(a) (but not including establishment of the compensation to be paid for the use of any locomotive, car, or other vehicle not owned by any carrier using it), 1(15), 1(16), 1(17), 6(8), the final sentence of 15(4), 15(10), and 420 (49 U.S.C. 1 et seq. and 1020).

(B) relating generally to safety appliances methods and systems: Section 25 (49 U.S.C. 26).

(C) relating generally to investigation of motor vehicle sizes, weights and service of employees: Section 226 (49 U.S.C. 325).

(D) relating generally to facilities for car service: Section 1(21), except to the extent that it relates to extension of lines of common carriers (49 U.S.C. 1(21)).

(E) relating generally to qualifications and maximum hours of service of employees and safety of operation and equipment: Sections 204(a) (1) and (2), to the extent that they relate to qualifications and maximum hours of service of employees and safety of operation and equipment; and sections 204(a) (3), (3a), and (5) (49 U.S.C. 304).

(F) to the extent they relate to private carriers of property by motor vehicle and carriers of migrant workers by motor vehicle other than contract carriers: Sections 221(a), 221(c), and 224 (49 U.S.C. 321 et seq.).

(f)(1) Nothing in subsection (e) shall diminish the functions, powers, and duties of the Interstate Commerce Commission under section 1(6), 206, 207, 209, 210a, 212, and 216 of the Interstate Commerce Act (49 U.S.C. 1(6), 306 et seq.) or under any other section of that Act not specifically referred to in the first paragraph of this subsection.

(2)(A) With respect to any function which is transferred to the Secretary by subsection (e) and which was vested in the Interstate Commerce Commission preceding such transfer, the Secretary shall have the same administrative powers under the Interstate Commerce Act as the Commission had before such transfer with respect to such transferred function. After such transfer, the Commission may exercise its administrative powers under the Interstate Commerce Act only with respect to those of its functions not transferred by subsection (e).

(B) For purposes of this paragraph—

(i) the term "function" includes power and duty, and

(ii) the term "administrative powers under the Interstate Commerce Act" means any functions under the following provisions of the Interstate Commerce Act: Sections 12, 13(1), 13(2), 14, 16(12), the last sentence of 18(1), sections 20 (except clauses (3), (4), (11), and (12) thereof), 204(a) (6) and (7), 204(c), 204(d), 205(d), 205(f), 220 (except subsection (c) and the proviso of subsection (a) thereof), 222 (except subsections (b) (2) and (b) (3) thereof), and 417(b) (1) (49 U.S.C. 12 et seq., 304 et seq., and 1017).

(g) There are hereby transferred to and vested in the Secretary all functions, powers, and duties of the Secretary of the Army and other officers and offices of the Department of the Army under—

(1) the following law and provisions of law relating generally to water vessel anchorages:

(A) Section 7 of the Act of March 4, 1915 (38 Stat. 1053; 33 U.S.C. 471).

(B) Article 11 of section 1 of the Act of June 7, 1897 (30 Stat. 98; 33 U.S.C. 180).

(C) Rule 9 of section 1 of the Act of February 8, 1895 (28 Stat. 647; 33 U.S.C. 258).

(D) Rule numbered 13 of section 4233 of the Revised Statutes (33 U.S.C. 322).

(2) the following provision of law relating generally to drawbridge operating regulations: Section 5 of the Act of August 18, 1894 (28 Stat. 362; 33 U.S.C. 499).

(3) the following law relating generally to obstructive bridges: The Act of June 21, 1940 (54 Stat. 497; 33 U.S.C. 511 et seq.).

(4) the following laws and provisions of law relating generally to the reasonableness of tolls:

(A) Section 4 of the Act of March 23, 1906 (34 Stat. 85; 33 U.S.C. 494).

(B) Section 503 of the General Bridge Act of 1946 (60 Stat. 847; 33 U.S.C. 526).

(C) Section 17 of the Act of June 10, 1930 (46 Stat. 552; 33 U.S.C. 498a).

(D) The Act of June 27, 1930 (46 Stat. 821; 33 U.S.C. 498b).

(E) The Act of August 21, 1935 (49 Stat. 670; 33 U.S.C. 503 et seq.).

(5) the following law relating to prevention of pollution of the sea by oil: The Oil Pollution Act, 1961 (75 Stat. 402; 33 U.S.C. 1001 et seq.).

(6) the following laws and provision of law to the extent that they relate generally to the location and clearances of bridges and causeways in the navigable waters of the United States:

(A) Section 9 of the Act of March 3, 1899 (30 Stat. 1151; 33 U.S.C. 401).

(B) The Act of March 23, 1906 (34 Stat. 84; 33 U.S.C. 491 et seq.).

(C) The General Bridge Act of 1946 (60 Stat. 847; 33 U.S.C. 525 et seq.).

(h) Notwithstanding any other provision of this Act, the transfer of functions, powers, and duties to the Secretary shall not include functions vested by the Administrative Procedure Act (60 Stat. 237; 5 U.S.C. 1001 et seq.) in hearing examiners employed by any agency or component thereof whose functions are transferred under the provisions of this Act.

TRANSPORTATION INVESTMENT STANDARDS

SEC. 7. (a) The Secretary shall develop and from time to time in the light of experience revise standards and criteria consistent with national transportation policies, for the formulation and economic evaluation of all proposals for the investment of Federal funds in transportation facilities or equipment, except such proposals as are concerned with (1) the acquisition of transportation facilities or equipment by Federal agencies in providing transportation services for their own use; (2) grant-in-aid programs authorized by law; (3) an interoceanic canal located outside the continental United States; (4) defense features included at the direction or upon official certification of the Department of Defense in the design and construction of civil air, sea, and land transportation; or (5) programs of foreign assistance. The standards and criteria developed by the Secretary shall be applicable to transportation features of water resource projects upon concurrence of the Water Resources Council and shall be compatible with the standards and criteria for economic evaluation applicable to non-transportation features of such projects. For purposes of considering such standards and criteria in relation to water resource projects, the Secretary shall be a member of the Water Resources Council. The Secretary shall, at a time selected by him, prior to the presentation of standards and criteria to the President for approval, publish a notice of proposed standards and criteria in the Federal Register and provide an opportunity for in-

interested persons to present their views on them. The standards and criteria developed or revised pursuant to this subsection shall be promulgated by the Secretary upon their approval by the President.

(b) Every survey, plan, or report formulated by a Federal agency which includes a proposal as to which the Secretary has promulgated standards and criteria pursuant to subsection (a) shall be (1) prepared in accord with such standards and criteria and upon the basis of information furnished by the Secretary with respect to projected growth of transportation needs and traffic in the affected area, the relative efficiency of various modes of transportation, the available transportation services in the area, and the general effect of the proposed investment on the overall transportation system of the area, and on the regional and national economy; (2) coordinated by the proposing agency with the Secretary and, as appropriate, with other Federal agencies, States, and local units of government for inclusion of his and their views and comments; and (3) transmitted thereafter by the proposing agency for disposition in accord with law and procedures established by the President.

AMENDMENTS TO OTHER LAWS

SEC. 8. (a) Section 406(b) of the Federal Aviation Act of 1958 (72 Stat. 763, 49 U.S.C. 1376(b)), is amended by adding the following sentence at the end thereof: "In applying clause (3) of this subsection, the Board shall take into consideration any standards and criteria prescribed by the Secretary of Transportation, for determining the character and quality of transportation required for the commerce of the United States and the national defense."

(b) Section 201 of the Appalachian Regional Development Act of 1965 (79 Stat. 10, 40 U.S.C. App. 201) is amended as follows:

(1) The first sentence of subsection (a) of that section is amended by striking out "Commerce (hereafter in this section referred to as the 'Secretary')" and inserting in lieu thereof "Transportation".

(2) The last sentence of subsection (a) of that section is amended by inserting "of Transportation" after "Secretary".

(3) Subsection (b) of that section is amended by inserting "of Commerce" after "Secretary".

(4) Subsection (c) of that section is amended by striking out the first sentence and inserting in lieu thereof the following: "Such recommendations as are approved by the Secretary of Commerce shall be transmitted to the Secretary of Transportation for his approval."

(5) The second sentence of subsection (c) of that section is amended by inserting "of Transportation" after "Secretary".

(6) Subsection (e) of that section is amended by inserting "of Transportation" after "Secretary".

(7) Subsection (f) of that section is amended by striking out "Secretary determines", and inserting in lieu thereof "Secretary of Commerce and the Secretary of Transportation determine".

(8) Subsection (g) of that section is amended by inserting before the period at the end thereof the following: "to the Secretary of Commerce, who shall transfer funds to the Secretary of Transportation for administration of projects approved by both Secretaries".

(c) Section 206(c) of the Appalachian Regional Development Act of 1965 (79 Stat. 15, 40 U.S.C. App. 206(c)) is amended by inserting "Secretary of Transportation," after "Interior".

(d) Section 212(a) of the Interstate Commerce Act (49 Stat. 555, 49 U.S.C. 312(a)) is amended by striking out "of the Commission" the second, third, and fourth times those words occur.

(e) Section 13(b)(1) of the Fair Labor Standards Act of 1938 (52 Stat. 1067, 29 U.S.C. 213(b)(1)) is amended by striking out "Interstate Commerce Commission" and inserting in lieu thereof "Secretary of Transportation".

(f) The second sentence of section 3 of the Federal Explosives Act (40 Stat. 385, 50 U.S.C. 123) is amended to read as follows: "This Act shall not apply to explosives or ingredients which are in transit upon vessels, railroad cars, aircraft, or other conveyances in conformity with statutory law or with the rules and regulations of the Secretary of Transportation."

ADMINISTRATIVE PROVISIONS

SEC. 9. (a) In addition to the authority contained in any other Act which is transferred to and vested in the Secretary, the Secretary is authorized, subject to the civil service and classification laws, to select, appoint, employ, and fix the compensation of such officers and employees, including attorneys, as are necessary to carry out the provisions of this Act and to prescribe their authority and duties.

(b) Notwithstanding any provision of this Act or other law—

(1) a member of the Coast Guard on active duty may be appointed, detailed, or assigned to any position in the Department other than Secretary, Under Secretary, and Assistant Secretary for Administration, and

(2) a retired member of the Coast Guard may be appointed to any position in the Department.

(c) The Secretary may obtain services as authorized by section 15 of the Administrative Expenses Act of 1946 (60 Stat. 810, 5 U.S.C. 55a), but at rates not to exceed \$100 per diem for individuals unless otherwise specified in an appropriation Act.

(d) The Secretary is authorized to provide for participation of military personnel in carrying out his functions. Members of the Army, the Navy, the Air Force, or the Marine Corps may be detailed for service in the Department by the appropriate Secretary, pursuant to cooperative agreements with the Secretary of Transportation.

(e) (1) Appointment, detail, or assignment to, acceptance of, and service in any appointive or other position in the Department under the authority of subsection (b)(1) or subsection (d) shall in no way affect status, office, rank, or grade which officers or enlisted men may occupy or hold, or any emolument, perquisite, right, privilege, or benefit, incident to or arising out of any such status, office, rank, or grade nor shall any member so appointed, detailed, or assigned be charged against any statutory limitation on grades or strengths applicable to the armed forces. A person so appointed, detailed, or assigned shall not be subject to direction by or control by his armed force or any officer thereof directly or indirectly with respect to the responsibilities exercised in the position to which appointed, detailed, or assigned.

(2) The Secretary shall report annually in writing to the Congress on personnel appointed and agreements entered into under subsection (d) of this section, including the number, rank, and positions of members of the armed services detailed pursuant thereto.

(f) In addition to the authority to delegate and redelegate contained in any other Act, in the exercise of the functions transferred to or vested in the Secretary in this Act, the Secretary may delegate any of his functions, powers, and duties to such officers and employees of the Department as he may designate, may authorize, such successive redelegations of such functions, powers, and duties as he may deem desirable, and may make such rules and regulations as may be necessary to carry out his functions, powers, and duties.

(g) The personnel, assets, liabilities, con-

tracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, available or to be made available, of the Federal Aviation Agency, and of the head and other officers and offices thereof, are hereby transferred to the Secretary.

(h) So much of the positions, assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, available or to be made available in connection with the functions, powers, and duties transferred by sections 6 (except section 6(c)), 8(d), and 8(e) of this Act as the Director of the Bureau of the Budget shall determine shall be transferred to the Secretary. Except as provided in subsection (i), personnel engaged in these functions, powers, and duties shall be transferred in accordance with applicable laws and regulations relating to transfer of functions.

(i) The transfer of personnel pursuant to subsections (g) and (h) of this section shall be without reduction in classification or compensation for one year after such transfer.

(j) In any case where all of the functions, powers, and duties of any office or agency, other than the Coast Guard, are transferred pursuant to this Act, such office or agency shall lapse. Any person who, on the effective date of this Act, held a position compensated in accordance with the Federal Executive Salary Schedule, and who, without a break in service, is appointed in the Department to a position having duties comparable to those performed immediately preceding his appointment shall continue to be compensated in his new position at not less than the rate provided for his previous position, for the duration of his service in his new position.

(k) The Secretary is authorized to establish a working capital fund, to be available without fiscal year limitation, for expenses necessary for the maintenance and operation of such common administrative services as he shall find to be desirable in the interest of economy and efficiency in the Department, including such services as a central supply service for stationery and other supplies and equipment for which adequate stocks may be maintained to meet in whole or in part the requirements of the Department and its agencies; central messenger, mail, telephone, and other communications services; office space, central services for document reproduction, and for graphics and visual aids; and a central library service. The capital of the fund shall consist of any appropriations made for the purpose of providing capital (which appropriations are hereby authorized) and the fair and reasonable value of such stocks of supplies, equipment, and other assets and inventories on order as the Secretary may transfer to the fund, less the related liabilities and unpaid obligations. Such funds shall be reimbursed from available funds of agencies and offices in the Department, or from other sources, for supplies and services at rates which will approximate the expense of operation, including the accrual of annual leave and the depreciation of equipment. The fund shall also be credited with receipts from sale or exchange of property and receipts in payment for loss or damage to property owned by the fund.

(l) The Secretary shall cause a seal of office to be made for the Department, and judicial notice shall be taken of such seal.

(m) In addition to the authority contained in any other Act which is transferred to and vested in the Secretary, and as necessary and when not otherwise available, the Secretary is authorized to provide for, construct, or maintain the following for employees and their dependents stationed at remote localities:

- (1) Emergency medical services and supplies;
- (2) Food and other subsistence supplies;
- (3) Messing facilities;
- (4) Motion picture equipment and film for recreation and training;
- (5) Reimbursement for food, clothing, medicine, and other supplies furnished by such employees in emergencies for the temporary relief of distressed persons; and
- (6) Living and working quarters and facilities.

The furnishing of medical treatment under paragraph (1) and the furnishing of services and supplies under paragraphs (2) and (3) of this subsection shall be at prices reflecting reasonable value as determined by the Secretary, and the proceeds therefrom shall be credited to the appropriation from which the expenditure was made.

(n) (1) The Secretary is authorized to accept, hold, administer, and utilize gifts and bequests of property, both real and personal, for the purpose of aiding or facilitating the work of the Department. Gifts and bequests of money and the proceeds from sales of other property received as gifts or bequests shall be deposited in the Treasury in a separate fund and shall be disbursed upon order of the Secretary of Transportation. Property accepted pursuant to this paragraph, and the proceeds thereof, shall be used as nearly as possible in accordance with the terms of the gift or bequest.

(2) For the purpose of Federal income, estate, and gift taxes, property accepted under paragraph (1) shall be considered as a gift or bequest to or for use of the United States.

(3) Upon the request of the Secretary, the Secretary of the Treasury may invest and reinvest in securities of the United States or in securities guaranteed as to principal and interest by the United States any moneys contained in the fund provided for in paragraph (1). Income accruing from such securities, and from any other property held by the Secretary pursuant to paragraph (1), shall be deposited to the credit of such fund, and shall be disbursed upon order of the Secretary of Transportation.

(o) (1) The Secretary is authorized, upon the written request of any person, or any State, territory, possession, or political subdivision thereof to make special statistical studies relating to foreign and domestic transportation, and other matters falling within the province of the Department, to prepare from its records special statistical compilations, and to furnish transcripts of its studies, tables, and other records upon the payment of the actual cost of such work by the person or body requesting it.

(2) All moneys received by the Department in payment of the cost of work under paragraph (1) shall be deposited in a special account to be administered under the direction of the Secretary. These moneys may be used, in the discretion of the Secretary, and notwithstanding any other provisions of law, for the ordinary expenses incidental to the work and/or to secure in connection therewith the special services of persons who are neither officers nor employees of the United States.

(p) The Secretary is authorized to appoint, without regard to the civil service laws, such advisory committees as shall be appropriate for the purpose of consultation with and advice to the Department in performance of its functions. Members of such committees, other than those regularly employed by the Federal Government, while attending meetings of such committees or otherwise serving at the request of the Secretary, may be paid compensation at rates not exceeding those authorized for individuals under subsection (c) of this section, and while so serving away from their homes or regular places of

business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5 of the Administrative Expenses Act of 1946 (5 U.S.C. 73b-2) for persons in the Government service employed intermittently.

CONFORMING AMENDMENTS TO OTHER LAWS

SEC. 10. (a) Section 19(d)(1) of title 3, United States Code, is hereby amended by inserting before the period at the end thereof the following: ", Secretary of Transportation".

(b) Section 158 of the Revised Statutes (5 U.S.C. 1) is amended by adding at the end thereof:

"Twelfth. The Department of Transportation."

(c) The amendment made by subsection (b) of this section shall not be construed to make applicable to the Department any provision of law inconsistent with this Act.

(d) Section 303 of the Federal Executive Salary Act of 1964 (78 Stat. 416, 5 U.S.C. 2211) is amended as follows:

(1) Subsection (a) of that section is amended by adding at the end thereof the following:

"(11) Secretary of Housing and Urban Development.

"(12) Secretary of Transportation."

(2) Subsection (c) of that section is amended by striking out "(6) Under Secretary of Commerce for Transportation" and inserting in lieu thereof "(6) Under Secretary of Transportation."

(3) Subsection (d) of that section is amended by adding at the end thereof the following:

"(70) Assistant Secretaries, Department of Transportation, (4).

"(71) General Counsel, Department of Transportation.

"(72) Chairman, National Transportation Safety Board, Department of Transportation."

(4) Subsection (e) of that section is amended by adding at the end thereof the following:

"(101) Assistant Secretary for Administration, Department of Transportation.

"(102) Members, National Transportation Safety Board, Department of Transportation (4)."

(5) Subsection (f) of that section is amended by striking out "thirty" and inserting in lieu thereof "thirty-nine".

(6) That section is further amended by adding at the end thereof the following new subsection:

"(h) The President is further authorized to place one position in level III."

(e) Subsections (b)(7), (d)(2), and (e)(12), (13), (14), (76), (82), and (89) of section 303 of the Federal Executive Salary Act of 1964 (78 Stat. 416, 5 U.S.C. 2211) are repealed.

(f) The Act of August 1, 1956 (70 Stat. 897, 46 U.S.C. 1241c), is amended by striking out the words "Secretary of Commerce" where they appear therein and inserting in lieu thereof "Secretary of Transportation".

(g) Section 1020 of title 18, United States Code, is amended by striking out "Secretary of Commerce" wherever it appears therein and inserting in lieu thereof "Secretary of Transportation".

(h) Subsection (1) of section 801 of title 10, United States Code, is amended by striking out "the General Counsel of the Department of the Treasury" and inserting in lieu thereof "the General Counsel of the Department of Transportation".

ANNUAL REPORT

SEC. 11. The Secretary shall, as soon as practicable after the end of each fiscal year, make a report in writing to the President for submission to the Congress on the activities of the Department during the preceding fiscal year.

SAVINGS PROVISIONS

SEC. 12. (a) All orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges—

(1) which have been issued, made, granted, or allowed to become effective—

(A) under any provision of law amended by this Act, or

(B) in the exercise of duties, powers, or functions which are transferred under this Act,

by (1) any department or agency, any functions of which are transferred by this Act, or (ii) any court of competent jurisdiction, and

(2) which are in effect at the time this Act takes effect.

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or repealed by the Secretary, Board, or General Counsel (in the exercise of any authority respectively vested in them by this Act), by any court of competent jurisdiction, or by operation of law.

(b) The provisions of this Act shall not affect any proceedings pending at the time this section takes effect before any department or agency (or component thereof), functions of which are transferred by this Act; but such proceedings, to the extent that they relate to functions so transferred, shall be continued before the Department. Such proceedings, to the extent they do not relate to functions so transferred, shall be continued before the department or agency before which they were pending at the time of such transfer. In either case orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this Act had not been enacted; and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or repealed by the Secretary, Board, or General Counsel (in the exercise of any authority respectively vested in them by this Act), by a court of competent jurisdiction, or by operation of law.

(c) (1) Except as provided in paragraph (2)—

(A) the provisions of this Act shall not affect suits commenced prior to the date this section takes effect, and

(B) in all such suits proceedings shall be had, appeals taken, and judgments rendered, in the same manner and effect as if this Act had not been enacted.

No suit, action or other proceeding commenced by or against any officer in his official capacity of any department or agency, functions of which are transferred by this Act, shall abate by reason of the enactment of this Act. No cause of action by or against any department or agency, functions of which are transferred by this Act, or by or against any officer thereof in his official capacity shall abate by reason of the enactment of this Act. Causes of actions, suits, actions or other proceedings may be asserted by or against the United States or such official of the Department as may be appropriate and, in any litigation pending when this section takes effect, the court may at any time, on its own motion or that of any party, enter an order which will give effect to the provisions of this subsection.

(2) If before the date on which this Act takes effect, any department or agency, or officer thereof in his official capacity, is a party to a suit, and under this Act—

(A) such department or agency is transferred to the Secretary, or

(B) any function of such department, agency, or officer is transferred to the Secretary,

then such suit shall be continued by the Secretary (except in the case of a suit not involving functions transferred to the Secre-

tary, in which case the suit shall be continued by the department, agency, or officer which was a party to the suit prior to the effective date of this Act).

(d) With respect to any function, power, or duty transferred by this Act and exercised after the effective date of this Act, reference in any other Federal law to any department or agency, officer or office so transferred or functions of which are so transferred shall be deemed to mean the officer or agency in which this Act vests such function after such transfer.

SEPARABILITY

SEC. 13. If any provision of this Act or the application thereof to any person or circumstances is held invalid, the remainder of this Act, and the application of such provision to other persons or circumstances shall not be affected thereby.

CODIFICATION

SEC. 14. The Secretary shall propose to the Congress within two years from the effective date of this Act, a codification of all laws that contain the powers, duties, and functions transferred to or vested in the Secretary or the Department by this Act.

EFFECTIVE DATE; INITIAL APPOINTMENT OF OFFICERS

SEC. 15. (a) This Act shall take effect ninety days after the Secretary first takes office, or on such prior date after enactment of this Act as the President shall prescribe and publish in the Federal Register.

(b) Any of the officers provided for in section 3 or 5 of this Act may (notwithstanding subsection (a)) be appointed in the manner provided for in such sections, at any time after the date of enactment of this Act. Such officers shall be compensated from the date they first take office, at the rates provided for in sections 5 and 10 of this Act. Such compensation and related expenses of their offices shall be paid from funds available for the functions to be transferred to the Department pursuant to this Act.

Mr. HOLIFIELD. Mr. Chairman, I move that the Committee do now rise. The motion was agreed to.

Accordingly, the Committee rose and the Speaker pro tempore [Mr. ALBERT] having assumed the chair, Mr. PRICE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 15963) to establish a Department of Transportation, and for other purposes, had come to no resolution thereon.

GENERAL LEAVE TO EXTEND

Mr. HOLIFIELD. Mr. Speaker I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the RECORD during the debate on this bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

H.R. 14026 WILL GIVE CONGRESS CHANCE TO FOLLOW PRESIDENT TRUMAN'S ADVICE

(Mr. PATMAN asked and was given permission to extend his remarks at this point and to include extraneous matter.)

Mr. PATMAN. Mr. Speaker, earlier today I commented on President Harry Truman's excellent and timely warning on high interest rates.

President Truman has spoken out clearly in the public interest. As usual, he has left no doubt about his position.

I hope that this Congress will follow the lead of President Truman and speak out as clearly against high interest rates.

Soon, the House of Representatives will take up H.R. 14026, which sets a 4½-percent ceiling on certificates of deposit of under \$100,000. This is a bill which will determine whether or not this Congress is truly interested in lower interest rates. When this legislation is voted on, I hope the Democrats on this floor will consider carefully the words of President Truman.

Mr. Speaker, I place in the RECORD the text of President Truman's remarks on interest rates as well as a front page story from the New York Times commenting on the statement.

The articles follow:

TEXT OF STATEMENT BY TRUMAN ON INCREASE IN INTEREST RATES

KANSAS CITY, Mo., August 28.—In response to the many kind and warm messages, expressing concern about my recent illness, I am glad to report that I am making satisfactory progress and expect that in the coming weeks I shall be able to resume my daily office routine.

In the meantime, I have tried to keep up with the news of the world, as best I could. There was little comfort for me in what I read.

There is a matter about which I am so deeply concerned that I feel it has become necessary for me to speak out.

A drastic increase in interest rates has been imposed on the American economy. A warning is current that higher rates are yet to come. We are told that this action was necessary in order to forestall inflation.

Of course, no one wants runaway inflation. But, I think it is fair to say that that kind of inflation is no longer possible in the United States.

What is more likely to happen is that we will bring on a precipitous deflation, if we persist in high interest practices. The result could be a serious depression.

These higher interest rates were in fact an added burden on all governments—Federal, state and local. The added interest costs end up as a further tax on the consumer.

We know from long experience that a drastic rise in interest rates works a hardship on the consuming public. It only benefits the privileged few.

We have had problems with the nation's money management through many critical periods in our history. Measures had to be taken by the Government to correct recurring abuses.

The nation's monetary structure was reorganized to be administered in the public interest through the Federal Reserve System. I am led to ask: "Is it being so administered now? Is it in the true sense a Federal system?"

During my Administration, we faced a similar threat of an arbitrary raise in the rates of interest. This was at the time of the Korean conflict.

I received notice of an impending move to confront the Government with a demand for higher interest rates of Treasury Bond issues, as well as certain other restrictive conditions, to be imposed by the Federal Reserve on the Treasury.

This would have meant an imposition of an additional nonproductive tax burden on the public—and we rejected it. The Government prevailed.

I rarely, these days, take up my pen to make comment on matters which I am confident are receiving the concern and atten-

tion of the Administration. But, I thought that this was a matter which had reached a point where it became necessary for me to speak. There is yet time to remedy the situation.

TRUMAN DISCERNs PERIL TO ECONOMY IN RISING INTEREST—DECLARES RUNAWAY INFLATION IS NO LONGER POSSIBLE—FEARS SHARP DEFLATION—WARNS OF A DEPRESSION—FORMER PRESIDENT, IN A RARE PUBLIC STATEMENT, ASSERTS HIGH RATES BENEFIT FEW

KANSAS CITY, Mo., August 28.—Former President Harry S. Truman issued a public statement today expressing alarm about rising interest rates. He warned that they could lead to "a serious depression."

"I rarely, these days, take up pen to make comment on matters which I am confident are receiving the concern and attention of the Administration," Mr. Truman said.

"But I thought that this was a matter which had reached the point where it became necessary for me to speak. There is yet time to remedy the situation."

Mr. Truman said, "A drastic increase in interest rates has been imposed on the American economy. A warning is current that higher rates are yet to come. We are told that this action was necessary in order to forestall inflation."

PRECIPITOUS DEFLATION

"Of course, no one wants runaway inflation," he went on. "But I think it is fair to say that that kind of inflation is no longer possible in the United States."

"What is more likely to happen," Mr. Truman said, "is that we will bring on a precipitous deflation if we persist in high interest practices. The result could be a serious depression."

David Noyes, a longtime friend and adviser to Mr. Truman, distributed the statement to newsmen at the Muehlebach Hotel. Mr. Noyes said Mr. Truman had worked on the statement for the last three days. Mr. Truman was not present when the statement was issued.

Higher interest rates are an added burden on all Governments—Federal, state and local—and eventually end up as a further tax on the consumer, the statement said.

"We know from long experience that a drastic rise in interest rates works a hardship on the consuming public," Mr. Truman declared. "It only benefits the privileged few."

"The nation's monetary structure was reorganized to be administered in the public interest through the Federal Reserve System," he said. "I am led to ask: 'Is it being so administered now? Is it in the true sense a Federal system?'"

Mr. Truman said that during his Administration the nation faced "a similar threat of an arbitrary rise in the rates of interest."

"This was at the time of the Korean conflict. I received notice of an impending move to confront the Government with a demand for higher interest rates on Treasury bond issues as well as certain other restrictive conditions, to be imposed by the Federal Reserve on the Treasury. This would have meant an imposition of an additional nonproductive tax burden on the public—and we rejected it. The Government prevailed."

The former President said rising interest rates were "a matter about which I am so deeply concerned that I feel it has become necessary for me to speak out."

HIGH INTEREST RATES FAIL TO CURB INFLATION

(Mr. ANNUNZIO asked and was given permission to address the House for 1 minute and to include extraneous matter.)

Mr. ANNUNZIO. Mr. Speaker, we are all aware of the crisis existing in the

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13. APPALACHIA. Sens. Randolph and Cooper praised the Appalachian regional development program and Sen. Randolph urged that future funds should be appropriated directly to the Appalachian Regional Commission rather than through Commerce, Agriculture, Interior, and HEW budget as at present. pp. 20300-08
14. INTEREST RATES. Sens. Proxmire, Long, La., and others expressed concern over high interest rates and housing costs increases. pp. 20296-7, 20317-22

HOUSE

15. LABOR STANDARDS. Conferees were appointed on H. R. 13712, to increase minimum wages and to extend such coverage to additional employees. Senate conferees have already been appointed. p. 20336
16. HISTORIC SITES. The Interior and Insular Affairs Committee reported with amendment S. 3035, to establish a program for the preservation of additional historic properties throughout the Nation (H. Rept. 1916). p. 20447
17. WATER RESOURCES. The Interior and Insular Affairs Committee reported with amendment H. R. 13508, to direct the Interior Department to cooperate with N. Y. and N. J. on a program to develop, preserve, and restore the Hudson River and its shores and to authorize steps to protect those resources from adverse Federal actions until the States and Congress shall have opportunity to act on the program (H. Rept. 1917). p. 20447
- Rep. Saylor expressed the "need to reassess the Nation's water needs" as "traditionally taxpayers in the eastern part of the United States have provided most of the funds for the development of water projects in the West." pp. 20416-9
18. TRAFFIC SAFETY. Received the conference report on S. 3005, to establish motor vehicle safety standards (H. Rept. 1919). pp. 20389-96
- Received the conference report on S. 3052 to provide for a coordinated national safety program through financial assistance to the States to accelerate highway traffic safety programs (H. Rept. 1920). pp. 20396-99
19. LOANS. Passed S. 112, to authorize the Secretary of Agriculture to make real estate mortgage loans on leased lands in Hawaii, with an amendment to substitute the language of a similar bill, H. R. 15951, which was earlier passed as reported. H. R. 15951 was tabled (pp. 20336-8). The bill as passed authorizes "for a temporary period of less than 2 years, the making of farm improvement loans under subtitle A of the Consolidated Farmers Home Administration Act of 1961 to lessee-operators of farmland in Hawaii where (1) the land cannot be acquired by the applicant; (2) adequate security is provided for the loans; and (3) there is a reasonable probability of accomplishing the objectives and repayment of the loan."
20. POSTAL RATES. Concurred in Senate amendments to H. R. 14904, to revise postal rates on certain fourth-class mail. This bill will now be sent to the President. pp. 20340-42
21. TRANSPORTATION. Passed, 336-42, with amendments H. R. 15963, to establish a Department of Transportation. pp. 20342-84

22. INTEREST RATES. The "Daily Digest" states that the Rules Committee "Granted an open rule...on (making it in order to consider the committee substitute as an original bill for the purpose of amendment, further making it in order to consider H. R. 17255 as a substitute for the committee amendment) H. R. 14026, to prohibit insured banks from issuing negotiable interest-bearing or discounted notes, certificates of deposit, or other evidences of indebtedness." p. D827
23. CHEESE IMPORTS. Rep. Race inserted the text of his letters to HEW urging an increase in the amount of inspection activity on imported cheese and other dairy products and to this Department urging "immediate steps to curb the unrealistically high cheese import quotas imposed recently." pp. 20402-3
24. SOYBEANS. Rep. Kupferman commended the inauguration of a N. Y. "Soybean Futures Market," and inserted an article on the subject. pp. 20411-2
25. RECREATION. Rep. Madden inserted his testimony favoring legislation to provide for the establishment of the Indiana Dunes National Lakeshore Park. pp. 20444-5
26. OCEANOGRAPHY. Rep. Sickles stated that the seas contain hidden treasures in the form of minerals and food and hoped for new breakthroughs in this field. pp. 20430-1
27. FARM LABOR. Rep. Cohelan stated that "the whole country--California included--has benefited from the termination of mass importing of foreign farm labor." p. 20434
28. ELECTRIFICATION. Rep. Clark inserted an article, "Government Official's View: Dickey Won't Mean Much to Boston Power Users." pp. 20441-2
29. LANDS. The Interior and Insular Affairs Committee voted to report (but did not actually report) H. R. 3104, amended, to remove a cloud on title to certain lands in Calif. p. D826

ITEMS IN APPENDIX

30. FOOD PRICES. Extension of remarks of Rep. Rumsfeld stating that "the growing problems of rising prices and inflation will not be solved by wishing they would go away", and inserting an article, "Costs Squeeze Wives' Budgets: How Women Fight Prices." pp. A4582-3
31. FARM PROGRAM. Rep. Laird inserted Oren Staley's address which sets forth the aims and objectives of the National Farmers Organization. pp. A4595-6
32. FARM LABOR. Extension of remarks of Rep. Hawkins stating that the "plight of the migrant farmworker is possibly the worst in the Nation", and will remain so until they are covered by labor laws. pp. A4596-7
33. CONSERVATION. Extension of remarks of Rep. Tuck describing how resource conservation measures have relieved drought conditions in his district. p. A4597
34. FOOD SUPPLY. Extension of remarks of Rep. Quillen stating "we must face now the seriousness of our shrinking surplus" and inserting an article on this subject. pp. A4598-9

after July 1, 1970, but before July 1, 1971; and

"(3) eighty-four inches in girth and length combined on matter mailed on or after July 1, 1971.

"(c) The maximum size on fourth class mail is one hundred inches in girth and length combined, and the maximum weight is seventy pounds for parcels—".

Page 10, strike out all after line 2 over to and including line 14 on page 12.

Page 12, after line 25, insert:

"SEC. 5. (a) There is hereby established a commission to be known as the Advisory Commission on Parcel Distribution Services (hereinafter referred to as the 'Commission').

"(b) The Commission shall be composed of five members appointed by the President. Three members of the Commission shall constitute a quorum. The President shall designate one of the members to serve as Chairman of the Commission and one of the members to serve as Vice Chairman of the Commission.

"(c) It shall be the duty of the Commission to make a full and complete study of small parcel distribution services, including parcel post, with a view to making recommendations with respect to—

"(1) the adequacy of existing services in terms of the needs of the consumer and the shipper;

"(2) the feasibility of integrating private and public small parcel distribution services through cooperative ventures;

"(3) methods of improving, coordinating, strengthening, expanding, and making more efficient the private distribution system;

"(4) simplification of the rate structure applicable to the parcel post system;

"(5) standardization of containers for parcel post shipments;

"(6) improvement of service under the parcel post system in terms of reliability, delivery, and handling of parcels;

"(7) the ability of the Post Office Department to handle parcels in excess of seventy-eight inches length and girth combined in an efficient, economical, and businesslike manner;

"(8) the effect that the size increases effective on July 1, 1971, will have on the financial stability and continued operation of common carriers primarily engaged in express service, and on such carriers' ability to maintain existing employee rights, privileges, levels, and conditions of employment;

"(9) the advisability in terms of the public interest and the needs of the consumer and the shipper generally to permit parcels in excess of seventy-eight inches in length and girth combined to be carried by parcel post;

"(10) the necessity for and type of protection to be afforded common carriers primarily engaged in express service and their employees if the Commission finds that it is in the public interest to permit the carriage by parcel post of parcels in excess of seventy-eight inches length and girth combined;

"(11) such other matters relating to small parcel distribution as the Commission may deem appropriate.

"(d) On or before January 1, 1968, the Commission shall submit to the President and the Congress an interim report concerning its activities during the preceding year, including such recommendations as it may deem appropriate. On or before January 1, 1969, the Commission shall submit to the President and the Congress its final report and recommendations. Such report shall include specific recommendations on the matters contained in paragraphs (8), (9), and (10) of subsection (c) of this section. If such Commission finds that the increases in parcel post size and weight limits established by this Act will seriously endanger the ability of common carriers primarily engaged in the express service to continue operations and are not in the public interest, Congress

shall during the 91st Congress consider the advisability of further legislation to eliminate the increase in size limitations on parcel post to take effect on July 1, 1971, established by this Act.

"(e) The Commission shall have the power to appoint and fix the compensation of an executive director and such other personnel as it deems advisable, in accordance with the provisions of the civil service laws and the Classification Act of 1949, as amended. The Commission may also procure, without regard to the civil service laws and the Classification Act of 1949, as amended, temporary and intermittent services to the same extent as is authorized for the departments by section 15 of the Act of August 2, 1946 (60 Stat. 810), but at rates not to exceed \$100 per diem for individuals.

"(f) The Commission is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality of the Federal Government information for the purposes of this section; and each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed to furnish such information directly to the Commission upon request made by the Chairman of the Commission.

"(g) Members of the Commission shall each receive \$100 per diem when engaged in the actual performance of duties vested in the Commission, including traveltime, and may receive travel expenses, including per diem in lieu of subsistence, as authorized by section 5 of the Administrative Expenses Act of 1946 (5 U.S.C. 73b-2) for persons in the Government service employed intermittently.

"(h) There are hereby authorized to be appropriated to the Commission such sums, not to exceed \$100,000 for any year, as may be necessary to carry out the provisions of this section.

"(i) The Commission shall cease to exist thirty days after the submission of the final report provided for in subsection (d)."

Page 13, strike out lines 1, 2, and 3, and insert:

"SEC. 6. This section and section 5 shall become effective on the date of enactment of this Act. The provisions of the first section and section 2 of this Act shall become effective on January 15, 1967. The provisions of section 3 of this Act shall become effective on July 1, 1967."

The SPEAKER. Is there objection to the request of the gentleman from Montana?

Mr. DERWINSKI. Mr. Speaker, reserving the right to object, will the gentleman from Montana explain this situation to the Members of the House, with specific reference to page 7 of the Senate committee report?

Mr. OLSEN of Montana. Mr. Speaker, the estimates vary as to the probable quantity involved in the amount of parcels that would be diverted from private carriers, such as the Railway Express Agency, to the Post Office Department.

A large amount of this traffic, however, will be diverted.

The committee in the Senate heard a great number of witnesses, as we did in the House, in respect to this situation.

Mr. Speaker, H.R. 14904, as amended by the Senate, represents a compromise. The compromise meets with the approval of the Post Office Department. It has the approval of private carriers and the private labor groups. I think the Members will all agree that this is a great achievement.

The House bill provided a rate increase

on zone-rated parcels of 8 cents, to become effective on January 15, 1967. This was expected to produce a net postal revenue increase of \$60 million.

The Senate amendment provides for a 10-cent increase, effective January 15, 1967, and is expected to provide a net postal revenue increase of \$73.6 million. The 2-cent increase over the House bill is designed to pay for the apportioned cost of postal salary increases and to offset the 5-year phasing-in of the size and weight increases, as provided in another Senate amendment.

This additional revenue, plus the revenue from additional mailings of larger and heavier parcels permitted under the new size and weight limitations, is expected to meet the needs of the Postmaster General in his annual certification that revenues and costs of parcel post are within 4 percent.

The House bill provides "a standardized maximum size for fourth-class parcels of 100 inches in length and girth combined," and "a standardized maximum weight for fourth-class parcels mailed between first-class post offices of 40 pounds."

The Senate amendment provides for a graduated size and weight increase to 40 pounds and 84 inches over a 5-year period, starting July 1, 1967.

On July 1 of each of the next 3 years, the maximum weight of parcels moving between first-class post offices will be increased 5 pounds each year to a maximum of 40 pounds, effective July 1, 1969.

The maximum size of parcels moving between first-class post offices will continue at 72 inches until July 1, 1970, when a 6-inch increase will go into effect. On July 1, 1971, an additional 6 inches will be added to a maximum measurement of 84 inches.

The Senate amendments eliminate the House provisions guaranteeing employees in private enterprise employment in the Post Office Department on the basis that the additional 2-cent rate increase, the 5-year graduated size and weight increase, and the Advisory Commission established by another Senate amendment, eliminate the necessity for such a labor-protection provision. I wish to repeat that the private labor groups have approved this bill as amended by the Senate.

The Senate amendment provides authority for the President to appoint an Advisory Commission on Parcel Distribution Services. This Commission is authorized to make a full and complete study of small-parcel distribution services. The Commission is empowered to investigate every aspect of public and private transportation, and to recognize the President and the Congress with respect to the needs of this vital service.

The Commission is instructed to report specifically on the effect of this legislation upon the parcel post private express companies and the employees of such companies who may be adversely affected by increases in size and weight limitations on parcel post. An interim report is required on or before January 1, 1968, and a final report with recommendations is required on or before January 1, 1969.

If the Commission finds that the increases in parcel post size and weight limits established by this legislative seriously endanger the ability of private express companies to continue operations and are not in the public interest, the Congress will have opportunity during the 91st Congress to consider the advisability of further legislation to eliminate the increase in size and weight limitations on parcel post, to take effect on July 1, 1971.

Mr. Speaker, I believe the Senate amendments to the bill will meet the needs of the postal service and will satisfy those who have protested against the House-passed bill.

I call the Members attention to the following information included in Senate Report No. 1534:

While estimates vary as to the probable quantity involved, there is no question that the higher maximum limits on parcel post size and weight between first-class post offices will result in substantial diversion of package traffic from private carriers to parcel post. A large amount of this traffic will be diverted from REA Express. The committee heard a great number of shipper witnesses who testified that express represents the only service now available to move their products. One of the most serious problems arising as a result of the diversion of a large amount of profitable traffic from REA Express is the impact of the resulting loss of revenue upon REA's ability to maintain the vast and complicated system which permits it to provide services which are not available from other carriers.

It is essential that new sources of revenue be developed to replace those lost as a result of this bill. Otherwise, REA Express will find it is difficult to meet the high fixed overhead costs incurred in maintaining a nationwide express operation. The committee has no doubt that this problem can be solved by the vigorous and imaginative management which has marked REA since its reorganization in 1959, provided that the company has the support and encouragement of both Federal and State regulatory authorities and receives the continued cooperation of its own employees who have the greatest stake in the success of these efforts.

The maintenance of an efficient nationwide express service is as important an objective of national transportation policy as the maintenance of an efficient nationwide parcel post system. If, as a matter of public policy, based essentially on the needs of the postal service and the public, the Government diverts a large part of REA's present traffic, REA must be permitted to develop the new services and techniques which are necessary to penetrate new markets and develop new traffic. These will involve, at a minimum, greater use of automation, containerization, and air transportation.

By increasing size and weight limits on parcel post gradually over a 5-year period, the committee believes the impact on private carriers is diminished substantially. Sufficient time is granted for REA Express to adjust to the diversion of traffic to the Post Office Department and pursue aggressively its penetration of new markets. The committee hopes that the appropriate regulatory bodies will take cognizance of the vital importance of maintaining an efficient private nationwide express service.

The committee recommendation is a realistic and fair compromise between the proposal of the Post Office Department and the original position advanced by REA Express and those who rely on its services. The bill will produce a substantial portion of the revenue contemplated by the Post Office Department in its original proposal. It will eliminate the discrimination between first-

class post offices in present law based on the distance of shipment. It will guarantee to REA Express and others in the small parcel delivery business that adjustment to these changes can be affected over a 5-year period. It will permit financially realistic parcel post operations without either unreasonably subsidizing the parcel post or seriously endangering the continued operations of private express companies.

Mr. Speaker, I cannot too strongly emphasize the importance of the statements I have read from the Senate committee report. I believe these principles to be key factors in the successful operation and administration of the compromise agreement represented by the Senate amendments.

The committee of the House sincerely trusts that the Interstate Commerce Commission and the Civil Aeronautics Board will take into consideration the facts I have explained.

(Mr. OLSEN of Montana asked and was given permission to revise and extend his remarks and include extraneous matter.)

Mr. DERWINSKI. Mr. Speaker, further reserving the right to object, will the gentleman clarify one aspect of the Senate bill?

The Senate bill established a Commission to be known as the Advisory Commission on Parcel Distribution Services. It is rather vague in its membership. It merely states this will be composed of five members to be appointed by the President.

Could the gentleman advise us as to whether this would be a bipartisan Commission, and what possible background knowledge or experience the members would possess, and from what sources the President would draw his appointees?

Mr. OLSEN of Montana. I would expect that the President would draw his appointees from experienced people in the field of transporting parcel post, either from the Post Office Department or private agencies such as parcel delivery and the Railway Express Agency.

I must say that this proposal of the Commission to investigate is substantially the same proposal as made by our colleague, the gentleman from Pennsylvania [Mr. CORBETT] in our Committee on Post Office and Civil Service. Certainly on this side we very greatly welcome the adoption of this proposal.

Mr. DERWINSKI. Mr. Speaker, further reserving the right to object, I wish to point out to the Members of the House that this bill, coming from the other body, reflected a rare act of statesmanship which we often do not find on the other side of the Halls of Congress.

Am I correct in stating that this bill is accepted by the Post Office Department, by the Brotherhood of Railway Clerks, by the Railway Express Agency, and, we hope, by all interested and concerned parties?

Mr. OLSEN of Montana. I thank the gentleman. I agree with him wholeheartedly and completely.

Mr. DERWINSKI. Mr. Speaker, further reserving the right to object—and I shall not object—I should like for the sake of the RECORD, to emphasize that this is as good a compromise as was available on this subject. We hope there will

be a good, hard look through this Commission at the parcel post system and its possible ill effects on all privately operated carriers.

Again I commend the Members of the other body and the Postmaster General for having a fair and scholarly attitude on this bill as it finally comes to us.

So far as I know, Mr. Speaker, there are no objections to the unanimous-consent request. I withdraw my reservation.

Mr. OLSEN of Montana. I agree with the gentleman from Illinois.

Mr. DULSKI. Mr. Speaker, I want to congratulate my colleagues for bringing the Senate amendments before the House for concurrence.

I consistently maintained during both the committee and the House deliberations on the parcel post legislation that we were going too far too fast. I was convinced that private business should be afforded a more reasonable time during which they could make any adjustments that may be required by this legislation.

I was convinced that the maximum size and weight limits should be spread over a period of time, suggesting a minimum period of 3 years, to be accompanied by a general increase in rates.

I offered two amendments, which were rejected during our committee deliberations, to carry out these recommendations. My amendments would have increased the size from 72 to 85 inches, the weight from 20 to 30 pounds, and a rate increase of 10 cents per package.

I feel highly elated that the Senate amendments, with the graduated increases over a period of 5 years, are substantially identical to the amendments I recommended.

I am now convinced that the bill, as amended by the Senate, will meet the needs of the postal service and obviously does not place unreasonable burdens on the private express companies or the private labor groups.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

DEPARTMENT OF TRANSPORTATION ACT

Mr. HOLIFIELD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 15963) to establish a Department of Transportation, and for other purposes.

The SPEAKER. The question is on the motion of the gentleman from California.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 15963, with Mr. PRICE in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday it had agreed that the bill would be considered as read and open for amendment at any point.

The Clerk will report the first committee amendment as printed in the reported bill.

Mr. HOLIFIELD. Mr. Chairman, would it be in order to withhold consideration of the committee amendments for a simple statement to the Members of the House?

If so, I move to strike the last word.

Mr. Chairman, I am taking this time to say a few words as to the procedure this afternoon. First I wish to say that both the minority and the majority managers of the bill wish to conclude consideration of this bill this afternoon.

We have spent a real long time here. This matter has been rescheduled and we have been interrupted by conference reports, and so forth. The consideration of this matter has stretched out now for about 10 days, and we would like to finish it today.

In an effort to bring about a final vote I have had conferences with the managers on the minority side of the bill. Agreements have been reached on the bill. Agreements have been reached on the acceptance of certain amendments from members of the minority, Mr. ERLBORN, Mrs. DWYER, and Mr. CLARENCE J. BROWN, JR. Also agreement has been reached with Mr. HENDERSON of the Committee on Post Office and Civil Service, to perfect a section of the bill pertaining to dual compensation. I may say that we accepted other amendments which are in the bill suggested by Mr. HENDERSON, but this was an amendment which came up after we had a printed bill, or a clean bill.

Also there is an agreement to accept an amendment by both the majority and minority which will be presented by Mr. KLUCZYNSKI, of the Committee on Public Works, which will confirm action already taken by the House in the last few days on the highway safety bill which we recently passed, and which passed the other body. There will be committee amendments, of course, which are mainly technical in nature, such as the renumbering of sections and paragraphs. Of course there are some amendments that will be offered which are controversial and which will require debate.

If the Members will cooperate by maintaining a quorum and if unnecessary quorum calls are not called for, we will proceed as expeditiously as possible to finish the bill and to do everything in our power to conclude it as quickly as possible, because we know that the Members have other business to attend to. That is all I have to say at this time.

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Page 8, insert after line 7 of the following:

"(d) Except as otherwise provided by statute, the Board shall make public all reports, orders, decisions, rules, and regulations issued pursuant to sections 5(b)(1) and 5(b)(2); and the Board shall also make public—

"(1) every recommendation made to the Secretary,

"(2) every special study conducted, and
"(3) every action of the Board requiring the Secretary to take action pursuant to section 5(c)(1), (2), (3), (4), (5), or (7)."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will read the next committee amendment.

The Clerk read as follows:

Page 8, line 8, strike out "(d)" and insert in lieu thereof "(e)".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 8, line 13, strike out "(e)" and insert in lieu thereof "(f)".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 8, beginning on line 13, strike out "two years after the effective date of this Act" and insert in lieu thereof "annually".

The committee amendment was agreed to.

Mr. HOLIFIELD. Mr. Chairman, I ask unanimous consent that the rest of the committee amendments which are technical in nature be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the remainder of the committee amendments, as follows:

Page 8, beginning on line 17, strike out "An interim report shall be submitted to the Congress one year after the effective date of this Act."

Page 8, line 20, strike out "(f)" and insert in lieu thereof "(g)".

Page 9, line 3, strike out "(g)" and insert in lieu thereof "(h)".

Page 9, line 14, strike out "(h)" and insert in lieu thereof "(i)".

Page 10, line 6, strike out "(i)" and insert in lieu thereof "(j)".

Page 10, line 10, strike out "(j)" and insert in lieu thereof "(k)".

Page 10, line 13, strike out "(k)" and insert in lieu thereof "(l)".

Page 10, line 20, strike out "(l)" and insert in lieu thereof "(m)".

Page 10, line 21, strike out "731" and insert in lieu thereof "782".

Page 11, line 1, strike out "(m)" and insert in lieu thereof "(n)".

Page 11, line 6, strike out "(n)" and insert in lieu thereof "(o)".

Page 16, line 9, insert before "49 U.S.C. 1343(c)" the following: "72 Stat. 746".

Page 16, line 18, strike out "776" and insert in lieu thereof "775".

Beginning on page 18, strike out line 24 and all that follows down through line 5 on page 19.

Page 19, line 6, strike out "(B)" and insert in lieu thereof "(A)".

Page 19, line 8, strike out "(C)" and insert in lieu thereof "(B)".

Page 19, strike out line 11 through 14.

Page 19, line 15, strike out "(E)" and insert in lieu thereof "(C)".

Page 19, line 22, strike out "(F)" and insert in lieu thereof "(D)".

Page 20, beginning on line 8, strike out "the first paragraph of this subsection" and insert in lieu thereof "subsection (e)".

Page 24, beginning on line 6, strike out "or (5)" and all that follows down through

line 14, and insert in lieu thereof "(5) programs of foreign assistance; or (6) water resource projects. The".

Page 27, line 20, strike out "385" and insert in lieu thereof "386".

Page 34, line 19, insert after "and" the following: "special statistical studies relating to".

The committee amendments were agreed to.

AMENDMENTS OFFERED BY MR. ERLBORN

Mr. ERLBORN. Mr. Chairman, I offer two amendments and ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. ERLBORN: On pages 23 through 25, delete section 7 and renumber the subsequent sections accordingly.

On page 6, delete the sentence that begins on line 12 and ends on line 16.

Mr. ERLBORN. Mr. Chairman, these two amendments, being considered en bloc, if adopted, would strike section 7 of the bill. Now, Mr. Chairman, section 7 of this bill is probably the most controversial part of the bill.

Mr. Chairman, I have reached agreement with the gentleman from California [Mr. HOLIFIELD] to the effect that this amendment should be adopted, striking section 7 and the reference to section 7 in prior section 4 of the bill.

Mr. Chairman, I believe, without any question, the elimination of section 7 from this bill will make it more acceptable to the Members of the Committee of the Whole House on the State of the Union.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. ERLBORN. I shall be happy to yield to the distinguished gentleman from California.

(Mr. HOLIFIELD asked and was granted permission to revise and extend his remarks.)

Mr. HOLIFIELD. Mr. Chairman, section 7 was written into the bill in order to express the principle of good government and good administration; namely, that where large Federal investments are required, standards and criteria should be developed for prudent investment and wise, balanced allocation of resources. Section 7 is not, as some have suggested, a "power grab" on the part of the President or the administration; it is, as I said, good administration, and commonsense. The commonsense of the matter is that we want some yardsticks to measure benefits against costs, to insure that Federal funds respond to urgent needs in some ordering of priorities. Formulation of standards and criteria for Federal investment simply denote the need for careful budgeting and funding decisions which will insure that we are making the best use of the taxpayers' dollars.

Unfortunately, section 7 has become a big subject of argument which stretches way beyond issues in the case. The authority of the Secretary of Transportation to formulate standards and criteria was qualified in the original bill by four

exceptions, and further qualified by two other exceptions written into the bill by the committee. These exceptions have narrowed the area in which the Secretary could formulate standards and criteria for the investment of Federal funds.

In my opinion, nothing we can write into a bill will or should limit the power of the President to consult any of his department or agency heads, and upon their advice or otherwise, to set up standards and evaluate projects, and make such recommendations to the Congress as he sees fit. Nevertheless, I understand that a large number of amendments will be proposed if section 7 remains. It seems preferable rather than take the time of the House to debate 10 or 15 amendments on a section of the bill which already has been narrowed down to eliminate the section entirely.

Accordingly, I will accept the gentleman's amendments to strike section 7 from the bill and ask unanimous consent to revise and extend my remarks at this point in the RECORD.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Illinois.

The amendments were agreed to.

AMENDMENT OFFERED BY MR. ERLBORN

Mr. ERLBORN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ERLBORN: On page 4, after the period on line 11, add the following new section:

"The Commandant of the Coast Guard shall also report directly to the Secretary."

The CHAIRMAN. The gentleman from Illinois is recognized in support of his amendment.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. ERLBORN. I will be happy to yield to the gentleman.

Mr. HOLIFIELD. Mr. Chairman, this is a good amendment. It is what I think would have happened anyway and I have no objection to having it spelled out in the bill. I, therefore, have no objection to the amendment and I accept the amendment.

Mr. ERLBORN. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. ERLBORN].

The amendment was agreed to.

Mr. HOLIFIELD. Mr. Chairman, upon the advice of counsel, I ask unanimous consent that the amendment just adopted be moved to section 6(b)(1) on page 15, following line 23.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. ERLBORN. Mr. Chairman, I have no objection.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

AMENDMENT OFFERED BY MRS. DWYER

Mrs. DWYER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. DWYER: On page 5, line 9, insert after the period the following: "The Secretary and the Secretary

of Housing and Urban Development shall study and report within one year after the effective date of this Act to the President and the Congress on the logical and efficient organization and location of urban mass transportation functions in the executive branch."

The CHAIRMAN. The gentleman from New Jersey [Mrs. DWYER] is recognized in support of her amendment.

Mrs. DWYER. Mr. Chairman, it is obvious to everyone who lives in an urban area that a close relationship exists between urban mass transportation and other forms of transportation. Yet, we are doing nothing in this bill to assure effective coordination in this area.

Today, the great majority of the people in the United States live in metropolitan areas. This results in the need for large numbers of people to travel cheaply and efficiently within these areas in order to shop, to get to their jobs, to seek recreation, and to engage in the many other tasks of daily life. Yet, we have failed to provide them with adequate urban mass transit. This has resulted in perhaps the greatest transportation problem facing the Nation today.

In city after city, individuals, especially those of limited means, are subject to hardship and discomfort because of the absence of adequate mass transportation. This, in turn, has led to imbalance and damage to central city and suburban areas. In addition, this has produced overcrowded highways, irrational use of scarce land, high cost of transportation, and many other detrimental conditions.

Every effort must be taken to correct this glaring deficiency.

But, here we are creating a Department of Transportation without in any way taking cognizance of the urban mass transportation problem. Some believe that the existing mass transit program should remain in the Department of Housing and Urban Development. Others believe it should be transferred to this Department of Transportation. While both of these views have merit, it does not seem overly significant whether the responsibility is located in HUD or in the new Department. What is important, however, is that adequate provision be made for the effective coordination of balanced transportation programs in urban areas.

Therefore, it is deeply troubling to note that under this legislation before us the overall responsibility is located in neither Department and there is no assurance that such responsibility will soon be established.

The President, in his transportation message, indicates that the Secretaries of the two Departments will review this matter for a year and then report their conclusions. But, there is nothing in this legislation which requires that a final decision be made within a year or that a decision, when made, will assure a logical and efficient location for urban mass transportation in the resulting organizational structure.

I, therefore, offer this amendment, Mr. Chairman, to require that the study and report be concluded within 1 year and that a logical and efficient organization and location within the executive

branch be recommended for urban mass transportation.

Mr. Chairman, I urge adoption of the amendment.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mrs. DWYER. I will be happy to yield to the gentleman.

Mr. HOLIFIELD. Mr. Chairman, the gentleman from New Jersey [Mrs. DWYER] has conferred with the majority and the minority managers on the bill and we believe that this is a constructive amendment. We also believe it will carry out the intent of the administration witnesses who appeared and testified before us. We have no objection to it being included in the bill. I, therefore, accept the amendment and thank the gentleman from New Jersey [Mrs. DWYER] for her cooperation.

Mrs. DWYER. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mrs. DWYER]. The amendment was agreed to.

AMENDMENT OFFERED BY MR. CLARENCE J. BROWN, JR.

Mr. CLARENCE J. BROWN, JR. Mr. Chairman, I have two conforming amendments to offer in view of the action of the committee in striking out section 7, and I ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

The CHAIRMAN. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. CLARENCE J. BROWN, JR.: On page 2, insert after the word "recommend" on line 18 the following words "to the President and Congress for approval".

On page 5, line 1, after the word "their" insert the words "consideration and".

The CHAIRMAN. The gentleman from Ohio [Mr. CLARENCE J. BROWN, JR.] is recognized in support of his amendments.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman from Ohio yield?

Mr. CLARENCE J. BROWN, JR. I am happy to yield to the gentleman.

Mr. HOLIFIELD. Mr. Chairman, I want to say that the gentleman from Ohio [Mr. CLARENCE J. BROWN, JR.] has conferred with both the majority and the minority managers. These are two amendments which conform to the general purpose of the bill. I therefore, accept the amendments.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Ohio [Mr. CLARENCE J. BROWN, JR.].

The amendments were agreed to.

(Mr. CLARENCE J. BROWN, JR., asked and was given permission to extend his remarks at this point.)

Mr. CLARENCE J. BROWN, JR. Mr. Chairman, the purpose of these amendments should be developed. It is to make very clear that the Secretary in his functions of recommending national transportation policies is obliged to return to the Congress for approval or consideration of the action to be taken on these recommendations.

AMENDMENT OFFERED BY MR. HARSHA

Mr. HARSHA. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. HARSHA: On page 23, following line 13, insert the following new subsection and reletter subsection "(h)" as subsection "(1)";

"(h) Notwithstanding the transfer of the functions, powers, and duties to the Secretary under subsection (g), the Secretary shall not exercise any function, power, or duty under subsections (g) (2), (3), (4) (A), and (6), relating to the operation of drawbridges, the obstruction of bridges, and the location and clearances of bridges and causeways, until he obtains the concurrence of the Secretary of the Army."

The CHAIRMAN. The gentleman from Ohio is recognized for 5 minutes.

Mr. HARSHA. Mr. Chairman, under existing law, the Secretary of the Army, acting through the Chief of Engineers, is responsible for investigations and improvements of rivers, harbors, and other waterways and for prevention of obstructions to the navigable capacity of such waters—section 540, title 33, United States Code. Also, existing law prohibits the building of any wharf, pier, dolphin, boom, weir, breakwater, bulkhead, jetty, or other structures in any navigable water of the United States, or to excavate or fill, or in any manner alter a course, location, condition, or capacity, of any such water, except on plans recommended by the Chief of Engineers and authorized by the Secretary of the Army—section 403, title 23, United States Code. All of these functions, powers, and duties will remain with the Secretary of the Army after enactment of H.R. 15963.

Under the provisions of this bill, however, certain functions of the Secretary of the Army relating to drawbridge operating regulations, obstructive bridges, and the location and clearance of bridges and causeways are transferred to the Secretary of Transportation. In spite of the transfer of this authority to the Secretary of Transportation, we continue to require the Secretary of the Army to exercise the authority under section 502 of title 33, United States Code, to prosecute criminally all who impede the navigability of waterways through bridge obstructions.

This borders on the ridiculous unless the Secretary of the Army has some authority with respect to bridge clearances in the first instance. My amendment provides that the Secretary of Transportation shall not exercise any functions without first obtaining the concurrence of the Secretary of the Army.

Since the Secretary of the Army is the Federal official primarily responsible for preserving and improving the navigability of the waters of the United States, it is logical that his concurrence should be obtained before action is taken by the Secretary of Transportation relative to the operation of drawbridges, the location and clearance of new bridges and causeways to be constructed, and the elimination of obstructions created by existing bridges.

If this is not done, action taken by the Secretary of Transportation in this limited area may be inconsistent with action taken or being contemplated by the Secretary of the Army with respect to the planning and construction of projects for navigation improvement of the waterway or the issuance of permits for the construction of other facilities on the waterway.

My amendment would not deny or take away from the Secretary of Transportation those functions that the bill would transfer to him, but in the interest of the free flow of commerce on our navigable waters it would require him to coordinate with the Secretary of the Army and, in turn, to benefit from the expertise, specialized knowledge, and experience of the Corps of Engineers in this field.

Mr. Chairman, I urge adoption of my amendment.

Mr. HOLIFIELD. Mr. Chairman, I rise in opposition to the amendment. On April 7, Lt. Gen. William F. Cassidy, Chief of Engineers, Corps of Engineers, of the U.S. Army, appeared before the committee. I read from his testimony, carried on page 102—part 1—of the hearings as follows:

The regulatory functions that would be transferred to the new Department under section 6(f) include the authority to regulate the location of vessels at anchor, to prescribe drawbridge operating regulations, to require alteration of existing bridges considered to be unreasonably obstructive to navigation, to review and determine reasonableness of tolls charged for crossing bridges, to administer the act for the prevention of the pollution of the sea by oil, and to control the location and clearances of bridges over navigable waters. These are considered to be proper functions of the contemplated Department of Transportation and their transfer would be in accord with accepted tenets of good organization and administrative management.

Mr. Chairman, I recognize that the intent of the gentleman's amendment is good, but in my opinion this would create confusion from an administrative standpoint. We have had the head of the Army Corps of Engineers, the man who has charge of these functions, testify before the committee that this is a proper function of the new Secretary of Transportation.

Therefore, I ask that the amendment be voted down.

Mr. HARSHA. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Ohio.

Mr. HARSHA. Mr. Chairman, I am not trying to take these functions we are transferring to the Secretary of Transportation away from him. I go along with the statement of the gentleman that these are proper functions for the Secretary of Transportation to have within his jurisdiction. But, because of the problems involved in prosecuting the violation of these, and because the responsibility for the navigability of the waters of the country rests on the Corps of Engineers, it would seem to me it would be proper that before any changes in these regulations are made by the

Secretary of Transportation, he should correlate these with the same body that is responsible for the prosecution and for insuring the navigability of these streams. That is the intent of my amendment.

Mr. HOLIFIELD. Mr. Chairman, I understand the intent of the gentleman's amendment, but it brings in another administrative body. It would cause delay in putting through programs.

There is no doubt in my mind that there will be informal conferences with the people who are involved. I cannot conceive of a responsible Secretary of a Cabinet-level department going in and upsetting the procedures of the Army. Therefore, I believe that the amendment is unnecessary and I believe that good administrative management and the tenets of good organization require us to leave this in the hands of the Secretary of this Cabinet-level department. I therefore ask that it be voted down.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from Ohio [Mr. HARSHA].

The question was taken, and on a division (demanded by Mr. HARSHA) there were—ayes 16, noes 35.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. CRAMER

Mr. CRAMER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CRAMER: On page 5, line 6, strike out the word "and".

On page 5, line 9, strike out the period and insert in lieu thereof a semicolon, and add the following: "and consult and cooperate with State and local governments, carriers, labor, and other interested parties, including, when appropriate, holding informal public hearings."

Mr. CRAMER. Mr. Chairman, the objective of my amendment is to conform the language of this legislation to establish a Department of Transportation to the principles and congressional intent embodied in the language contained in the act of last year, Public Law 89-174, which established the Department of Housing and Urban Development. The language of section 3(b) of the HUD Act states:

The Secretary shall, among his responsibilities, * * * consult and cooperate with State Governors and State agencies, including, when appropriate, holding informal public hearings * * *.

This amendment will conform the language of this legislation before us today to establish a Department of Transportation to that language of last year's act which established the Department of Housing and Urban Development.

I believe this additional language is essential for the proper exercise of responsibility by the new Secretary. In the declaration of purpose of the bill before us it is stated in section 2 thereof, on page 2, lines 12 through 14 thereon, that the Congress finds that the establishment of the Department of Transportation is necessary in the public interest and that it wishes among other

things "to encourage cooperation of Federal, State, and local governments, carriers, labor, and other interested parties toward the achievement of national transportation objectives."

What my amendment does is to write into section 3, a legislative section of the bill concerning the powers and requirements of the Secretary of Transportation, the policy statement already contained in this bill in section 2 as well as a legislative statement, intent, and requirement similar to that contained in the Housing and Urban Development Act. I consider it very important that the requirement for consultation and cooperation with State and local governments and other interested parties by the Secretary of one Department be also placed upon the Secretary of another Department in the public interest.

My amendment would require the new Secretary to consult and cooperate with State and local governments, carriers, labor, and other interested parties, including, whenever appropriate, the holding of informal public hearings, meaning he must at least have a meeting with them to discuss pertinent matters before taking decisive action on such matters.

I hope this amendment will be accepted. This is important for the orderly growth of all modes of transportation covered in this act, and particularly the highway program. Historically there has been excellent cooperation with the State and local governments by the Secretary of Commerce and the Bureau of Public Roads. Federal-aid highway programs have traditionally been planned and worked out on a partnership basis. I should like to see Federal-State-local partnership preserved in the Federal-aid highway program and strongly encouraged in all other appropriate transportation systems.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. CRAMER. I yield to the gentleman from California.

Mr. HOLIFIELD. The distinguished gentleman from Florida has consulted with me on this amendment. I believe it is in harmony with the intent and purpose of the act and the declaration of purpose, where we do ask for consultation with local people. It is the exact wording which is in the act creating the Department of Housing and Urban Development. Therefore, I accept the amendment.

Mr. CRAMER. I thank the gentleman from California.

Mr. Chairman, the effective cooperation between the Federal Government and State and local governments, particularly as they pertain to the highway program, has been long-standing. It was only recently that I received assurance from the Federal Highway Administrator that the States would be consulted, and I hope fully, in the formulation of the "After 1972 Study" of future highway needs, the report on which is to be submitted to the Congress in 1968. I hope that this same assurance will continue with the reorganization of the agencies as provided for in this bill.

(Mr. CRAMER asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida.

The amendment was agreed to.

AMENDMENT OFFERED BY MR. REID OF NEW YORK

Mr. REID of New York. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. REID of New York: On page 5, line 4, after the semicolon, insert the following: "Gather, maintain, and keep the President fully advised of information regarding the status of labor-management contracts and other labor-management problems, and assist in promoting industrial harmony and stable employment conditions in all modes of transportation;"

Mr. REID of New York. Mr. Chairman, this amendment was developed by the distinguished gentleman from New York [Mr. HORTON]. Were he present, he would offer it. By direction of the Speaker, he is representing this body at the dedication of Knesset in Israel. Therefore, I offer it.

I have consulted with the chairman. I believe it is a good amendment.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. REID of New York. I yield to the gentleman from California.

Mr. HOLIFIELD. This amendment is satisfactory. The gentleman from Illinois [Mr. ERLBORN] and I had an agreement we would accept the amendment, before the gentleman from New York [Mr. HORTON] left the country.

I am happy to accept the amendment at this time upon the presentation by the gentleman from New York [Mr. REID].

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The amendment was agreed to.

Mr. REID of New York. I thank the distinguished chairman.

(Mr. HORTON (at the request of Mr. REID of New York) asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. HORTON. Mr. Chairman, my amendment is a simple one but it is concerned with a very important subject—labor-management relations in the transportation industry.

Happily, the nationwide airline strike has been settled, but we all know that it has had a severe impact on the air transportation industry and the national economy. Many millions of dollars in airline revenues have been lost. The union members involved have lost earnings, and other employees in trades which support air flight have been idled; some have drifted away to seek other employment. Business and vacation plans have been disrupted; hotels and commercial establishments have suffered.

We have an opportunity in this bill creating a new Department of Transportation to minimize such unfortunate labor-management strife and misunderstanding in the future. We can make a contribution to maintaining stability of

employment and industrial harmony in all forms of transportation.

We can do this by writing into the bill an affirmative duty on the part of Secretary of Transportation to keep the President fully advised of the status of labor-management contracts and of problems as they arise. The Secretary can take the initiative and use the resources of his great Office to help alleviate strife and promote understanding and induce cooperation and agreement—before difficulties are sharpened to the point of work stoppages, with all their disastrous economic and personal consequences.

Let me make it clear that my amendment does not propose to interfere with or in any sense replace or duplicate the existing agencies concerned with labor-management relations, conciliation, mediation, and the like. We have of course the Department of Labor with its many responsibilities, including those of an Assistant Secretary for Labor-Management Relations; the National Labor Relations Board created by the National Labor Relations Act of 1935; the Federal Mediation and Conciliation Service created by the Labor Management Relations Act of 1947; and the National Mediation Board created by a 1934 amendment to the Railway Labor Act.

I am not proposing the creation of another labor agency but I believe it is important for the Secretary of Transportation to keep himself and the President continuously informed of labor-management affairs in the transportation industry and to assist in maintaining satisfactory relationships. This my amendment proposes to do.

I have discussed the amendment with the gentleman from California [Mr. HOLIFIELD] and he has assured me that it is worthwhile and that he has no objection to it.

AMENDMENT OFFERED BY MR. REID OF NEW YORK

Mr. REID of New York. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. REID of New York: On page 5, line 6, after "particular attention to", strike out "aircraft noise" and insert "the measurement of aircraft noise and the formulation and establishment of regulations to provide for the control and abatement of aircraft noise;"

Mr. REID of New York. Mr. Chairman, I believe this amendment is simple. It deals with the question of the measurement of aircraft noise and the formulation and establishment of regulations consistent with research and development to provide for the control and the abatement of aircraft noise.

I have consulted with the chairman of the committee on this point.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. REID of New York. I yield to the gentleman from California.

Mr. HOLIFIELD. The chairman of the Committee on Interstate and Foreign Commerce, the gentleman from West Virginia [Mr. STAGGERS], has asked for a more thorough exploration of this particular amendment. I am going to

hand him this amendment. I heretofore agreed that we would accept this amendment as written because it only refers to the responsibility of promoting and undertaking research on aircraft noise measurement and abatement, and it is limited to promoting and undertaking research. It does not go to any other problem than that. This is in harmony with the bill which advises the Secretary to do research and development in all modes of transportation. It would be necessary for the Secretary, before any action was taken, to go to the Committee on Interstate and Foreign Commerce, of which Mr. STAGGERS is the chairman, before he could promulgate any rules and regulations on this subject.

On page 5 of the bill we have, among the general provisions that the Secretary, in carrying out the purposes of this act, should develop national transportation policies and programs and make recommendations to the President and the Congress for their implementation; promote and undertake development, collection, and dissemination of technological, statistical, economic, and other information relevant to domestic and international transportation; promote and undertake research and development relating to transportation, including noise abatement, with particular attention to aircraft noise; and consult with the heads of other Federal departments and agencies on the transportation requirements of the Government.

Mr. STAGGERS. Mr. Chairman, will the gentleman yield to me?

Mr. REID of New York. I am happy to yield to the distinguished chairman of the Committee on Interstate and Foreign Commerce.

Mr. STAGGERS. The Federal Aviation Agency is presently involved in research now on aircraft noise. The FAA's activities are transferred over to this department. I believe here you are trying to put legislation on legislation, which is wrong. We have pending before our committee now a bill which has been submitted by the administration.

It is our intention to hold hearings on this bill just as soon as we get through with the bill called the Fair Labeling and Packaging Act, which I hope will be in the next week or so. I hope that the gentleman from New York under these circumstances will withdraw his amendment.

Mr. REID of New York. In response to the chairman, I may say that I have introduced H.R. 17351 which is virtually identical to the bill that the chairman and the gentleman from New York [Mr. TENZER] have introduced, and the bill that Senator MAGNUSON in large part introduced in the Senate, and which is now before the Committee on Interstate and Foreign Commerce.

My bill empowers the Administrator of the Federal Aviation Agency, "consistent with the primacy of air safety, to prescribe and amend standards for the measurement of aircraft noise and to prescribe and amend such rules and regulations as he may find necessary for the control and abatement of aircraft noise, including the application of such standards, rules, and regulations in the is-

suance, amendment, modification, suspension, or revocation of any certificate authorized by this title." As Members will recall, Gen. William F. McKee, the FAA Administrator, has already indicated that this authority "is needed to assist us in alleviating a most serious problem."

I would say that I hope that this bill will be acted on promptly by the gentleman's committee.

The CHAIRMAN. The time of the gentleman from New York has expired.

(Mr. REID of New York asked and was given permission to proceed for 1 additional minute.)

Mr. REID of New York. However, Mr. Chairman, I would say to the gentleman from West Virginia [Mr. STAGGERS] that the purpose of the instant amendment is different from that which the gentleman from West Virginia has stated.

Mr. Chairman, it is concerned with the general provisions contained in this bill. It is concerned with making somewhat more explicit a provision that is presently contained in the bill and which has been accepted by the committee. It is concerned with research and development in the field of noise abatement and measurement, a provision presently in the bill, but it deals a little more explicitly and I believe is consistent with the legislation that we now have pending before us—including provisions not covered in the bill that is pending before the gentleman's committee.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. HOLIFIELD. Mr. Chairman, I move to strike the last word in order that this question may be resolved.

(Mr. HOLIFIELD asked and was given permission to revise and extend his remarks.)

Mr. STAGGERS. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from West Virginia.

Mr. STAGGERS. I would like to say not only to the gentleman from California [Mr. HOLIFIELD], but to the gentleman from New York [Mr. REID], that the FAA presently and for some time has been involved in research. We have quite a volume and packet of hearings on these various subjects.

Mr. Chairman, this is a continuing thing. It is something that is presently hard to get at. This question has involved our committee over a period of time. We have, as I stated to the gentleman from New York when I first rose to speak on this matter, an intention to have as one of the first orders of business, hearings on this bill and to try to resolve the question as to what can be done in regard thereto, also to give to the FAA the authority to amend their rules and regulations and, even, in fact, their certifications in order to empower them to enforce these rules and regulations.

Mr. REID of New York. Mr. Chairman, would the gentleman yield at that point?

Mr. HOLIFIELD. I am happy to yield to the gentleman from New York.

Mr. REID of New York. I would mere-

ly add that I hope the gentleman's committee does act, but there is a possibility that even though it acts and the House acts favorably, which I hope it will, it may not get through the other body.

There is some expectation, I believe, that the transportation portion of this legislation will get through the other body and through the House. I hope that will be the case.

I would say, finally, to the gentleman from West Virginia that the provision which I seek to amend is presently in the bill before us, which has been approved by the committee. What we are concerned with is having the Secretary, consistent with the language contained in the bill, concerned with the general situation involving noise abatement.

I would say to the gentleman that I am glad it is presently in the bill. What we seek to do is clarify it. I do not believe it touches upon the questions about which the gentleman is concerned. I believe it would be helpful to have the language in this legislation clarified to the point that the chairman and I have discussed.

Mr. STAGGERS. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. Of course I yield to the gentleman from West Virginia.

Mr. STAGGERS. As I said, I cannot tell exactly what the situation will be, but as soon as we get to that problem in the deliberations of the committee we shall certainly take it under consideration. This, of course, is dependent upon the time when we complete consideration of the "truth in packaging" legislation.

I would like to state further to the gentleman from New York and my good friend that in this instance we have worked on this question for some time. I am afraid, however, that there are provisions in the bill at this time on the subject about which the gentleman is talking and I believe this places more language into it which, in my opinion, is superfluous.

Therefore, Mr. Chairman, I would hope that the gentleman from New York would withdraw his amendment.

Mr. HOLIFIELD. Mr. Chairman, I would ask the gentleman from New York [Mr. REID] to consider withdrawing his amendment at this point.

Mr. Chairman, we have tried very earnestly not to encroach upon the prerogatives of any committee in substantive legislation by specifically going into matters which presently exist. Therefore, I would be unhappily forced to oppose the amendment of the gentleman from New York [Mr. REID] because it is designed to set up a special office in the Department of Transportation.

I know how interested the gentleman from New York [Mr. REID] and Mr. WYDLER and Mr. TENZER and all the other gentlemen on both sides of the aisle are in this aircraft noise abatement problem. But there are several programs going on at this time in different departments of the Government. I would respectfully request that the gentleman accommodate me and accommodate the chairman of the committee on Interstate and Foreign Commerce on his assurance that he will take this mat-

ter up thoroughly and very soon and explore it as the substantive committee and take action that will be considered after extensive hearings on the matter.

Mr. REID of New York. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman.

Mr. REID of New York. Mr. Chairman, I understood we did have an agreement on this point, that this would not touch the powers that the gentleman from West Virginia [Mr. STAGGERS] has mentioned. This clarifies the section pertaining to research and development—according to both the committee counsel and the discussion I had with the chairman—that we presently have in the bill by explicitly directing the measurement of aircraft noise and the formulation of regulations.

Mr. HOLIFIELD. Mr. Chairman, the gentleman has me in an embarrassing position. I will admit that was the agreement, but I was under the impression that this was not substantive in nature.

Mr. REID of New York. My understanding is that it does not go beyond the language presently in the bill except to make it more explicit and does not touch the powers that the chairman of the Committee on Interstate and Foreign Commerce is concerned about.

(Mr. OTTINGER asked and was given permission to extend his remarks at this point.)

Mr. OTTINGER. Mr. Chairman, I rise in support of the amendment offered by my colleague from Westchester [Mr. REID].

There has been far too little effective attention paid by the Executive to resolving the problems of jet noise. In creating a Department of Transportation, action in jet noise abatement ought to be one of its important delegated responsibilities.

Unfortunately, in the bill before us the only mention made of this problem is to give the new Department responsibility to "promote and undertake research and development" relating to it. The language proposed by my distinguished colleague would assure that such research and development would lead to regulations for effective control of jet noise. It is a small step, but an important one in the right direction.

I fail to see how this clarification could in any way interfere with substantive legislation on this subject which I and others have introduced and which is presently pending before the Interstate and Foreign Commerce Committee. It seems to me that the language proposed is completely compatible with that legislation.

I want to commend my colleague for the effective work he has done on this subject and urge the committee to support his amendment.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from New York [Mr. REID].

The question was taken; and on a division (demanded by Mr. REID of New York), there were—ayes 18, noes 56.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. CLARENCE J. BROWN, JR.

Mr. CLARENCE J. BROWN, JR. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CLARENCE J. BROWN, JR.: On page 9, following the period on line 9, add the following: "No more than three members of the Board shall be of the same political party."

The CHAIRMAN. The gentleman from Ohio [Mr. CLARENCE J. BROWN, JR.] is recognized in support of his amendment.

Mr. CLARENCE J. BROWN, JR. Mr. Chairman, this is an amendment which has the agreement of the other side of the aisle, as I understand, and is merely designed to make the Safety Board within the bill a bipartisan board.

The purpose of the amendment, as noted, is to provide that no more than three members of the Transportation Safety Board shall be of the same political party.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. CLARENCE J. BROWN, JR. I yield to the gentleman from California, the chairman.

Mr. HOLIFIELD. The gentleman is aware that this is a Board of experts?

Mr. CLARENCE J. BROWN, JR. That is already mentioned in the legislation. These members shall be appointed with regard to their fitness to conduct with efficiency and dispatch the functions, powers, and duties that are vested in the Board.

Mr. HOLIFIELD. Mr. Chairman, I am constrained to accept the gentleman's amendment. I think this will not do violence to the bill.

Mr. CLARENCE J. BROWN, JR. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. CLARENCE J. BROWN, JR.].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. ROSENTHAL

Mr. ROSENTHAL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROSENTHAL: On page 4, after line 17, add a new subsection (g) to section 3:

"Sec. 3(g) The Secretary shall establish within the Department an Office of Aircraft Noise Control and Abatement. The Office shall supervise research and development programs in the field of aircraft noise control and abatement, and shall establish such regulations as may be necessary to require maximum utilization of practical noise control and abatement techniques."

The CHAIRMAN. The gentleman from New York is recognized for 5 minutes.

(Mr. ROSENTHAL asked and was given permission to proceed for an additional 5 minutes and to revise and extend his remarks.)

Mr. ROSENTHAL. Mr. Chairman we have just heard considerable discussion on the question of aircraft noise abatement. Many of us have been concerned about this subject for some long period of time. The President only this year, in his transportation message, said:

Aircraft noise is a growing source of annoyance and concern to the thousands of citi-

zens who live near many of our large airports. As more of our airports begin to accommodate jets and as the volume of air travel expands the problem will take on added dimension.

Mr. Chairman, those of us who represent a constituency in our large urban areas have learned to recognize the serious social costs of the jet age. We have found that for thousands of Americans aircraft noise presents repeated daily intrusions. Thousands and hundreds of thousands have to live with the roar of engines at breakfast, dinner, in the evening, and all through the day and night. Many of us have agreed that up until the present time, notwithstanding the good intentions of those in the executive department and the good wishes of many of our colleagues, there has been really no progress made in meeting this problem.

Generally the industry has been uninterested. Those in the Air Force who developed the jet planes were more interested in thrust and speed and were not necessarily concerned about noise abatement. There has been really no organized spokesman for the airport neighbors. They have not had the benefit of Washington representation to plead their cause.

The administrative agencies, such as NASA and the FAA, have done, in my opinion, only token work in the field of aircraft noise.

On August 25 many of us engaged in a colloquy here on the floor about this subject, and we discussed it at great length. It was only after considerable pressure from the Congress for the last 5, 6, or 7 years, and after continuing pleading from airport neighbors that real action, or the first step in some action occurred this year. The President appointed a special panel, and in his message of recommendation he said the following:

Initiative for solving problems of jet aircraft noise can effectively only come from a source not compromised by economic interests in conflict with the major groups now involved of engine aircraft manufacturers, airline operators and local government, and there is only one source meeting this constraint which can be functionally effective in the Federal Government.

This was the first time that there had been any commitment in this area, and the nature of the commitment is precisely this: The Federal Aviation Agency this year established a Noise Abatement Service. The people who comprise that service are the very same people who lend staff support to the presidential group made up of the Assistant Secretaries of HUD, NASA, and the FAA. They comprise four people altogether. There are presently only four people in charge of the problem of aircraft noise in the executive branch of the Federal Government.

I must acknowledge the help and support of our distinguished colleague from California [Mr. HOLIFIELD], because it was at his request and direction that we included in this bill the words that "The Secretary should be responsible for looking into the question of aircraft noise."

I suggest to you very respectfully, my colleagues, that the executive branch

will not carry through meaningful action and meaningful research, until there is a mandate from Congress telling them that we expect something to be done. Then there will be no room for bureaucratic evasions. The talented people who are presently engaged in this field in a separate office will have some political muscle. They will have the opportunity to deal directly with the Secretary.

The very reasons that the gentleman from California [Mr. HOLIFIELD] suggests it might not be useful to have this amendment—that we have already put the instruction in the bill to the Secretary—I suggest is the very reason for favorable action on the amendment. We want to have an office, an umbrella, a shield, a sense of responsibility, so those people who are going to carry out the directions to do something about this may be able to work.

Nothing will be done in this field until Congress has the opportunity to maintain scrutiny over a single office that has responsibility. For the first time, if we act favorably on this amendment, the American people will have visible proof of congressional concern, and for the first time they will have some expectation of action.

In the years I have been here, I have found that until there is a congressional mandate, until there is congressional direction, action is flabby, sometimes irresponsible, sometimes token. Once we enact an amendment such as this, where we designate responsibility by statute for this problem, then we are going to get real action and real progress.

Mr. TENZER. Will the gentleman yield?

Mr. ROSENTHAL. I yield to the gentleman from New York.

Mr. TENZER. Mr. Chairman, I commend the gentleman in the well for the amendment he has offered, which I will support. Last year, on 11 different occasions, I addressed my colleagues in the House on the subject of jet noise. I am very proud of the fact that on August 19, 1965, I wrote a letter to the President suggesting the appointment of a Presidential commission to examine into the question of jet noise.

Jet noise is a national menace. I live in the shadow of Kennedy Airport. I know what the noise problem is. I am constantly besieged by letters and telegrams and telephone calls from neighbors. This menace of jet noise is not peculiar to those who live in the shadow of Kennedy Airport.

It is a problem for everyone who lives near airports throughout the United States. As I said last year, if you do not have the problem in your districts now, you will have it in the immediate future, because shorter runways are now capable of handling jet planes.

I urge support of the amendment. I am proud of the fact the President included the subject of jet noise and recognized it as a national menace by including it in his message on transportation.

In addition that portion of the President's message which we quoted—the message also contained the following:

There are no simple or swift solutions. But it is clear that we must embark now on a concerted effort to alleviate the problems of aircraft noise. To this end I am today directing the President's Science Advisor to work with the administration of the Federal Aviation Agency and National Aeronautics and Space Administration, and the Secretaries of Commerce, and of Housing and Urban Development to frame an action program to attack this problem.

The President's message was delivered to the House on March 2, 1966. Other legislation, no doubt of great importance to the Nation, has had priority, but my constituents consider legislation dealing with the problem of jet noise to be of the utmost importance.

I urge adoption of the amendment.

Mr. ROSENTHAL. Mr. Chairman, I thank the gentleman.

I also want to pay particular tribute to the gentleman from New York [Mr. WYDLER], who has cosponsored this with me. He has served on the Subcommittee on Transportation, and we have spent many hours and days and weeks searching for an intelligent answer to this problem. I believe we have found one, and I urge adoption of the amendment.

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. ROSENTHAL. I yield to the gentleman from New York.

Mr. OTTINGER. Mr. Chairman, I congratulate the gentleman from New York on his very good amendment, and I urge my colleagues to support it.

I believe the problem of jet noise will become a serious problem in any district all over the country. We should have a chance to concentrate on this problem. I believe that the congressional committee would be a very constructive thing to have on this indeed.

Mr. ADDABBO. Mr. Chairman, will the gentleman yield?

Mr. ROSENTHAL. I yield to the gentleman from New York.

Mr. ADDABBO. Mr. Chairman, I am fully aware of this great problem, as is the gentleman in the well. We have worked on this problem for many years and we have sat through hours of hearings on the subject, but we have never received the relief our people are entitled to.

Therefore, I join my New York colleagues in asking the support of all our colleagues so we may all in the future have the needed relief from airplane noise.

Mr. Chairman, I rise in support of the amendment of my colleague [Mr. ROSENTHAL].

Until, by law, we take official recognition of the problem of aircraft noise, the people living in the vicinity of our large airports can look for no relief from the ever-present deafening roar of the jets as they land and take off. Until you have lived under these conditions, you cannot realize what it is like. However, you can be sure that more and more congressional districts are going to be affected as the airlines turn more and more to jets. Not only that, but you will find that much larger jets will be used in the future and that future is not far off. The overseas carriers already have these planes on order. The larger the plane

the more powerful will be the engines and, so far, with more power comes more noise. Also, we must not forget the work that is being done to develop a supersonic plane for passenger service—no one will be safe from the sonic boom.

Mr. Chairman, those of us representing congressional districts which have large airports in them, or near by, have been trying for years to find a solution to the noise problem, but it has not been found. Each agency involved in the air transportation field denies having authority to issue and enforce noise regulations. Until criteria are set, there will be no solution. We must give this problem the attention it deserves. Before a solution is found, we must have an office charged with the responsibility in this field—noise standards are going to have to be set. Once, we set the standards, I know that American inventiveness and ingenuity will find a way to make a quieter engine—this is where we have to work—we must lessen the noise at its source. When we tell the manufacturers that an engine may not be used, if it creates more than a certain noise level, then that manufacturer is going to work until he brings that engine within the noise guidelines.

Mr. Chairman, those of us who have had the aircraft noise problem for years now have been seeking help for our constituents, but we have been like the proverbial "babe crying in the wilderness." Those of you who have not experienced these nightmarish living conditions have failed to get behind us—we ask for your help now and know that you are really helping yourself, because you will be insuring that your constituents do not have to go through what ours have endured for years.

I urge my colleagues to support this amendment.

(Mr. ADDABBO asked and was given permission to revise and extend his remarks.)

Mr. FRASER. Mr. Chairman, will the gentleman yield?

Mr. ROSENTHAL. I yield to the gentleman from Minnesota.

Mr. FRASER. Mr. Chairman, I want to commend the gentleman for his amendment. As I said on the floor the other day, I believe the amendment should be supported. The Metropolitan Airport Commission of Minneapolis and St. Paul had a resolution asking the Federal Government to take some firm action with respect to the problem of aircraft noise. This problem is common throughout the country. It is a problem upon which appropriate action should be taken by the Federal Government.

I believe only through this amendment are we likely to get the real effort and the sustained investigation in ways to combat the problems presented by this aircraft noise.

(Mr. FRASER asked and was given permission to revise and extend his remarks.)

Mr. ROSENTHAL. I thank the gentleman.

Mr. Chairman, I might also suggest, with respect to the legislation before the committee of the distinguished gentleman from West Virginia, if, as, and when

that legislation is reported and becomes law, this office would be a perfect agency for its implementation. There is absolutely no inconsistency between the passage of this amendment and the enactment of the legislation before the gentleman's committee.

Mr. GILBERT. Mr. Chairman, will the gentleman yield?

Mr. ROSENTHAL. I yield to the gentleman from New York.

Mr. GILBERT. I commend the gentleman for the introduction of this amendment, which I fully support. My county of Bronx is now subject to a tremendous amount of noise. The residents are up in arms.

The CHAIRMAN. The time of the gentleman from New York has expired.

(By unanimous consent, Mr. ROSENTHAL was allowed to proceed for 2 additional minutes.)

Mr. GILBERT. I have never had so much agitation from my constituents on any one problem. I believe the creation of this Board within the Department of Transportation will certainly go a long way toward establishing the good faith of the Congress of the United States with respect to this problem.

(Mr. GILBERT asked and was given permission to revise and extend his remarks.)

Mr. ROSENTHAL. I thank the gentleman.

Mr. RYAN. Mr. Chairman, will the gentleman yield?

Mr. ROSENTHAL. I am happy to yield to the gentleman from New York.

Mr. RYAN. Mr. Chairman, I rise to support this amendment. I believe the support which the gentleman in the well is receiving for his amendment indicates the seriousness of the problem of aircraft noise, and particularly jet noise, in and around our major airports.

I commend the gentleman for having raised the issue. I believe it is essential that there be a coordinated approach to this question. An Office of Aircraft Noise Control and Abatement within the new Department of Transportation should provide the necessary coordination.

When the NASA authorization bill was on the floor, I supported an amendment to provide more funds for NASA for research in this area. NASA is the agency which should be conducting the necessary research and development right now. I would hope that this proposed Office in the Department of Transportation, in connection with NASA, would take constructive action to solve this problem.

(Mr. RYAN asked and was given permission to revise and extend his remarks.)

Mr. ROSENTHAL. I thank the gentleman.

Mr. HALL. Mr. Chairman, will the gentleman yield?

Mr. ROSENTHAL. I am happy to yield to the gentleman from Missouri.

Mr. HALL. I rise simply on a point of information.

I have before me the gentleman's amendment. I am interested in the tremendous amounts of money we are spending at this time under the Depart-

ment of Defense research and development program trying to introduce greater thrust and to develop a greater bypass ratio which might cause more noise but would give us greater thrust and power which is indeed essential with the C-5A to say nothing of the consortium for developing the SST and others.

In the opinion of the gentleman, would this include the research and development of the Department of Defense, in this Office of Aircraft Noise Control and Abatement, or would they still be free to function under their own research and development program?

Mr. ROSENTHAL. I do not believe it would include the research and development, and the Department of Defense would be free to act and be responsible for its own research and development in this field. This Office would centralize in one place all the accumulated data and research benefits throughout the Federal Government.

Mr. PUCINSKI. Mr. Chairman, I support the efforts of my colleagues in trying to set up an agency that would deal exclusively with the mounting problem of jet noise in the vicinity of major airports.

The people of my district have endured serious hardships because of jet aircraft landing and departing at O'Hare Field, which is today the world's busiest airfield.

Much has already been done to try to ease the problem, but much more remains to be done before our neighborhoods can return to some semblance of tranquillity.

I have said before that the advent of the jet age has changed the living pattern of some 20 million Americans who live in the proximity of large jet airfields. This is particularly true since the development of the short-runway jets which can now operate into and out of medium-sized airfields.

This Nation can no longer afford to give only perfunctory attention to the problem of jet noise. I am mindful of the leadership provided by President Johnson in ordering his science adviser to marshal the responsibility of all agencies which could contribute to the solution of this problem.

Mr. Johnson's science adviser now has a whole series of task forces studying the various aspects of the problem, and some very concrete proposals have already come from these studies which offer substantial promise of curtailing the enormity of this problem.

I am hopefully encouraged by the assurances of the chairman of the Interstate and Foreign Commerce Committee that my proposal and other proposals for the establishment of a separate agency to deal with jet noise will receive early consideration from his committee.

But all of this notwithstanding, I believe this problem is so serious that we should attack it from as many points as possible. The proposal being made here today by the gentleman from New York, and one which he has discussed with me at great length, proves to be another weapon in the arsenal to deal with this problem of jet noise. I had intended to offer this amendment myself, but since

the gentleman from New York is a member of the committee, I am pleased to yield to him. I too hope the House will approve this proposal so that we can add another effort in the ceaseless struggle to alleviate this problem of jet noise, which is proving so troublesome to our people.

I hope the House will approve this proposal.

SUBSTITUTE AMENDMENT OFFERED BY MR. WYDLER

Mr. WYDLER. Mr. Chairman, I offer a substitute amendment.

The Clerk read as follows: Amendment offered by WYDLER as a substitute for the amendment offered by Mr. ROSENTHAL:

On page 4, following line 17, insert the following new subsection:

"(g) (1) There is hereby established within the Department an Office of Aircraft Noise Abatement. The Office shall be located within the Federal Aviation Administration and shall be headed by a Director, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall be compensated at the rate provided for level V of the Federal Executive Salary Schedule.

(2) The Director shall prescribe (and may from time to time modify) (A) standards for the measurement of aircraft noise, and (B) such rules and regulations as he may find necessary to provide for the control and abatement of aircraft noise and for the application of such standards, rules, and regulations in the issuance, amendment, modification, suspension or revocation of any certificate authorized by title VI of the Federal Aviation Act of 1958 (72 Stat. 776, 49 U.S.C. 1421 et seq.)

(3) In any action to amend, modify, suspend or revoke a certificate wherein violation of aircraft noise standards, rules or regulations is at issue the certificate holder shall have the same notice and appeal rights as are contained in section 609 of title VI, and in any appeal to the National Transportation Safety Board, the Board shall consider the aircraft noise violation issues in addition to the safety and public interest issues as provided in section 609."

(Mr. WYDLER asked and was given permission to revise and extend his remarks.)

Mr. WYDLER. Mr. Chairman, and my colleagues, I am rising once again in the well of the House to offer an amendment to a bill that will do something about this aircraft noise problem, and which is in perfect harmony with the amendment just offered by my colleague, the gentleman from New York [Mr. ROSENTHAL]. However, my amendment goes one step further, and I think an important step, and a step on which both the Democrats in the House of Representatives and the Republicans can agree. In fact, the additional part of the amendment that I am offering has the backing of the President of the United States.

Mr. ROSENTHAL and I worked in a bipartisan manner in the subcommittee to bring forth some real action in this field of jet aircraft noise abatement. We both heard a lot of words spoken and have had added a few more words in this year's bill concerning the abatement of jet aircraft noise, but we have yet to take any effective action in this area. It is time we took some action with this amendment which we have before us today. Many of you remember

last spring I asked Congress to set aside funds from the NASA authorization which would do something about the development of quiet jet engines with respect to jet aircraft noise. At that time we were told, No, do not do it now; do it later and we will take action. People listened to that story and swallowed it, and were misled because the fact of the matter is that action has not been forthcoming, and action will not be forthcoming now unless we act here today.

Mr. Chairman, this problem does not only affect the urban areas. You gentlemen who represent the rural areas of this Nation are being affected too, and you had better understand just how you are being affected. The recent attempt to limit the use of National Airport in Washington and the precedent it sets affects every person who flies on a plane, whether he be a Congressman or an ordinary citizen. This was a direct outgrowth of the aircraft noise problem. Those types of restrictions on our airports around this Nation, and the cry which is going up for these restrictions, is going to get louder and stronger and the airports of this country will begin to be restricted in their use unless we do something here and now to reach a solution to this problem which is closing and restricting the use of our airports.

Those gentlemen who are from the midwest think that this is only something that happens in a 10-mile radius around landing strips on the airports. They are wrong. We are designing supersonic aircraft and supporting them with Federal funds, which will create sonic booms across this Nation from shore to shore, and from coastline to coastline. So I say to you it is time we wake up now to the fact that this is a nationwide problem and we had better do something about it.

Mr. ROSENTHAL. Mr. Chairman, will the gentleman yield?

Mr. WYDLER. I will be glad to yield as soon as I finish my statement.

Now, this proposed amendment I have set forth sets up an Office of Jet Aircraft Noise Abatement. What is the big objection to that? It will focus attention on and coordinate the effort toward finding a solution to jet aircraft noise. That is the very reason why we are supposedly creating this Department of Transportation. It is to do this for the transportation problems of our Nation. I say, let us apply that same logic and reasoning to our problem of jet aircraft noise. In addition it would give the Director of the Office some reasonable powers which the President of the United States wishes him to have.

To my Republican colleagues I say that our Republican policy committee stated this bill should contain action on this problem of jet aircraft noise, and I think both the Republican and Democratic sides should be willing to support it. I know that the chairman of the committee, in an attempt to help us, let us put a few words in this bill saying that this new Department should concern itself with the problem of jet aircraft noise. Fine.

But, Mr. Chairman, I appeal to the Members of this House that we have had

these words said over and over again. What we need is action. Our chance and our opportunity to get that action is here on the floor of the House today. It will not come back until next year, if we do not attend to it today. I tell that to each and every Member. So I say to you, let us support this amendment and get on with the job.

I will be delighted now to yield to my colleague from New York.

Mr. TENZER. Mr. Chairman, I rise in support of the gentleman's amendment. I would like to say to my colleague that the language of his amendment is substantially the same as the administration bill which I introduced, H.R. 16172, in which I joined with my colleague, the distinguished chairman of the committee, the gentleman from West Virginia [Mr. STAGGERS]. I also believe the gentlemen from New York [Mr. WYDLER and Mr. ROSENTHAL] introduced similar legislation.

The language of the gentleman's amendment to the amendment is almost identical to the language of my bill.

The CHAIRMAN. The time of the gentleman from New York has expired.

(Mr. WYDLER, by unanimous consent (at the request of Mr. TENZER), was given permission to proceed for 2 additional minutes.)

Mr. TENZER. Mr. Chairman, I would like to say to the gentleman in the well that we should not complicate the debate on the question of attempting to find a solution to the increase of jet noise by interjecting matters relating to the supersonic boom. On that subject I already stated I shall oppose the supersonic transport until we have sufficient information and are on the road to finding a solution or an answer to the jet noise problem.

Mr. Chairman, we do not want an additional menace to the health of the Nation by the supersonic boom. We do not want an increase in the confiscation of property, real estate values through the unauthorized taking of property and a disturbance of the peaceful and quiet enjoyment of their property. We must protect the right to sit on one's lawn without the thunder from the skies to disturb the privacy of their homes. We must protect the right to speak on the phone without disturbance from jet noise. We must protect our right to watch television without interference.

Mr. Chairman, I would also ask the gentleman not to confuse the issue by reference to the debate in the House, when the NASA appropriation bill was being considered, that agency said that it had no program to use the funds which the amendment called for. What we need is an accelerated program of research and that is precisely what my bill H.R. 7981 provides for.

Mr. Chairman, what I sought to accomplish in my bills H.R. 16172, H.R. 7981, and H.R. 7982, and to which reference has been previously made, was to establish a program under which we could determine how to find the answer to the menace of jet noise. I want to know how much money is needed, and whether it be \$20 million, or if it needs \$100 million, we should be able to appro-

priate it, to find the answer to a growing national menace.

I urge support of the amendment as a step in the right direction.

(Mr. TENZER asked and was given permission to revise and extend his remarks.)

Mr. WYDLER. I thank the gentleman from New York for those remarks.

But, Mr. Chairman, the point is that NASA did not act and that we in Congress should have acted, because that moment when action was needed was allowed to slip away. However, I would say to the gentlemen of the Committee of the Whole House on the State of the Union that we should act now.

Mr. HUNGATE. Mr. Chairman, will the gentleman yield?

Mr. WYDLER. Of course I am happy to yield to the gentleman from Missouri.

Mr. HUNGATE. Mr. Chairman, I want to commend the gentleman in the well and the other gentlemen for their interest in this very serious and truly nonpartisan problem.

Mr. Chairman, this is a matter of great concern to the citizenry around this great country of ours.

Mr. Chairman, just this last weekend a supersonic boom broke eight plate glass windows in a small town in Missouri with a population of about 8,000.

Mr. Chairman, it makes it very difficult to explain to the people of these areas just what is going on.

Mr. Chairman, we need a Federal program and we need a program designed to show the Nation's concern with reference to this problem.

Mr. WYDLER. Mr. Chairman, I thank the gentleman from Missouri for his contribution.

Mr. HOLIFIELD. Mr. Chairman, I rise in opposition to the substitute amendment and to the original amendment.

(Mr. HOLIFIELD asked and was given permission to revise and extend his remarks.)

Mr. HOLIFIELD. Mr. Chairman, this has been a most difficult bill to try to handle. I appreciate the interest of the gentlemen in the subject of aircraft noise, the interest of both the gentleman from New York [Mr. WYDLER] and the gentleman from New York [Mr. ROSENTHAL], both members of the committee. Both of the gentlemen have been helpful in the work of the committee. But I must in good faith oppose the substitute and also the original amendment.

Mr. Chairman, one of the principles which I have tried to follow during the consideration of this bill to organize a department—and it is, of course, a department—is to bring into it the relevant agencies and functions without creating much larger statutory functions.

Mr. Chairman, all of us have to shift functions a little bit in order to get them together. But I have tried the best I know how to leave to every committee of the Congress its statutory jurisdiction. I fought vigorously for that principle, and I had to fight with my own Members on my side of the aisle when we were in committee.

Mr. Chairman, I talked this matter over with the gentleman from West Vir-

ginia [Mr. STAGGERS], the chairman of the Committee on Interstate and Foreign Commerce, a great committee of this House of Representatives, and I talked with other Members who are deeply immersed in this subject matter.

There are two bills before his committee now, H.R. 15785, introduced by the gentleman from New York [Mr. ROSENTHAL], and H.R. 15874, introduced by the gentleman from New York [Mr. WYDLER]. I understand that there are others that I do not know about.

The problems created by aircraft noise are serious. There is no doubt about that. We recognized this problem in the clean bill by going as far as we thought we could go without infringing upon the jurisdiction of the committee of the gentleman from West Virginia.

We wrote into the language of the bill on page 5 the following, which had to do with the general provisions in putting responsibilities and duties on the Secretary—"to promote and undertake research and development relating to transportation."

Now the bill says that the Secretary shall do this in every mode of transportation. But we went further than that and we said "including noise abatement with particular attention to aircraft noise." We could have written in some language such as "with particular attention to exhaust fumes that come out of the big buses and the big trucks that come along on the highways."

We could have set up a special office for that. We could have set up special offices all over the place for every problem in transportation. But this was not our duty. It is the duty of the statutory committees to take care of these matters.

Both the committee and the witnesses for the administration have given full recognition to the seriousness of the problem. The bill places a mandate upon the Secretary to act in this field and the report shows clearly that Congress expects vigorous action.

The committee believes, however, that an organizational straitjacket should not be placed upon this research and regulatory effort. Transportation noise and aircraft noise in particular are closer related to other features in the design and construction of the propulsion elements and of the vehicles themselves.

Aircraft and transportation noise abatement research must be carried on across the board in connection with other research and development work in the transportation field. The same is true of regulations relating to noise. There is not only aircraft noise but truck noises and other noises of transportation. Noise problems should not be considered by themselves alone without regard to the related problems of safety and performance. Chaos and confusion will result and the public and the industry will suffer if one official is given power to prescribe regulations relating to the control and abatement of aircraft noise without regard to the responsibilities of other officials with respect to such other matters as aircraft design, aircraft safety, landing and takeoff procedures and aircraft routings.

The Committee on Interstate and Foreign Commerce, the committee with the substantive interest in this area, has before it H.R. 15875 an administration backed bill to give the Administrator of the Federal Aviation Agency authority to prescribe and change standards for the measurement of aircraft noise and regulations for the control and abatement of such noise. This bill should have the consideration of the Interstate and Foreign Commerce Committee since it involves a substantive change in the law. If the bill is enacted the functions which it prescribes will become a responsibility of the Secretary of Transportation, acting through the Federal Aviation Administrator in the new Department if the Department of Transportation bill is enacted. This type of an amendment should not be adopted on the floor while it is under the consideration of another committee.

We had no hearings on this matter. We asked some questions of Mr. McKee, the Federal Aviation Administrator, but we had no extensive hearings on the subject.

Mr. ROSENTHAL. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman.

Mr. ROSENTHAL. Mr. Chairman, I am in complete agreement with the gentleman that the committee should not infringe upon the jurisdiction of another committee, but the point of my amendment is as follows, even if legislation before the Committee on Interstate and Foreign Commerce is enacted—this office I propose to establish by my amendment would be the perfect place to house those who have responsibility in this matter.

Mr. HOLIFIELD. Mr. Chairman, I would disagree with the gentleman because we are doing that with the Kluczynski amendment, but that is a matter that has been just acted upon by the Congress and we are integrating it into this bill at the request of the Subcommittee on Public Works.

Mr. ROSENTHAL. If I might suggest to my colleague, the one principal responsibility of our subcommittee is structuring of the executive department. My amendment has simply to do with structuring, establishing of an office. It has nothing to do with the substantive measure that is before the Committee on Interstate and Foreign Commerce. Whether they hold hearings, whether they act, or whether they do not act or whether they enact it or not is not particularly relevant to my amendment. My amendment is precisely a structuring amendment as is this whole bill. If one can suggest that we had no right to establish a new office or move an office, then we could not bring this bill to the floor of the House.

Mr. FRIEDEL. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Maryland.

Mr. FRIEDEL. The amendment of the gentleman from New York states as follows:

The Office shall supervise research and development programs in the field of air-

craft noise control and abatement, and shall establish such regulations as may be necessary to require maximum utilization of practical noise control and abatement techniques.

The gentleman speaks about not interfering with the jurisdiction of the Interstate and Foreign Commerce Committee but that is what his amendment will do. From the gentleman's statement one might think that the industry had not tried to cut down the aircraft noise. The industry has tried; the FAA has tried. But there will always be some noise. The planes have to have the proper amount of propulsion to take off, and the airlines have done everything under the sun to find a solution to the noise problem. They have not been able to come up with a complete solution but they have made progress and studies are still being made. They are doing everything that can be done, and we intend to keep on urging them to do more.

The committee has been having meetings on the problem of aircraft noise since 1959. We promised you that we would have hearings on your bill. We have been very busy, but as soon as we are able, we will schedule hearings. But when you try to establish regulations to correct the aircraft noise problem within the new Department of Transportation, I think you are going too far. I hope the amendment and the substitute will be defeated.

Mr. HALPERN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the amendment and I commend the distinguished gentleman from New York [Mr. ROSENTHAL] for offering it in committee and for pursuing it on the floor. I also fully endorse the substitute offered by that other capable and distinguished gentleman from New York [Mr. WYDLER] and compliment him for proposing it.

This amendment and the substitute accomplishes an objective which I and many Members of this body have advocated for a number of years—it creates a separate Office of Aircraft Noise Control and Abatement, which will centralize and coordinate Federal efforts to alleviate a problem which has become acute in many areas of our country.

We in Queens, N.Y., living in the jitter alley of two of the Nation's great airports, La Guardia and John F. Kennedy, are only too aware of the health and safety hazards and the deafening, nerve-racking clamor which accompany each low altitude flight over our immediate and surrounding environs.

It has been a great encouragement for those of us who have been fighting through the years for abatement of aircraft noise to see that this ever-growing hazard has won highest governmental recognition. I refer to the administration's recommendations for legislation to authorize aircraft noise abatement regulations.

I have joined with the distinguished gentlemen and able colleagues from my own county of Queens [Mr. ROSENTHAL and Mr. ADDABBO] in introducing this bill. My bill being H.R. 16087. It concurs with the objectives of continuing efforts on

the part of many of us for top-level action to resolve this problem.

I see the gentleman's amendment as a complement to this legislation. The office to be created by his amendment would be the appropriate body to design and enforce such regulations. I believe that the new office proposed by this amendment should spare no effort in utilizing the most modern scientific means to conquer this problem of aircraft noise.

Many solutions have been suggested to alleviate the problem of aircraft noise, including proposals about engine silencers, rerouting of flight patterns, and changing of plane schedules. These ideas, as well as many others have been put forward, deserve the intensive study and consideration that a coordinating office like the one established in this legislation can provide.

The U.S. Air Force until 1957 had a well-coordinated research effort on all aspects of aircraft noise-community disturbance, but dropped this phase in order to concentrate more heavily on Air Force needs. As reported by the President's Jet Aircraft Noise Panel, many engine corporations maintain research and development facilities but have never been pressed to their fullest extent to develop a quieter engine.

If we are able to make the progress we have in the exploration of space and in the development of the most advanced scientific goals, it seems to me we can develop the means to attack plane noise.

There is some noise research being conducted in the Government but there is a lack of orientation except in the armed services. According to the Committee on Science and Astronautics, House Report No. 2229:

More research and development effort is necessary and additional research tools are needed, before a set of noise criteria can be drafted, around which industry can design aeronautical vehicles.

Only with the establishment of the Office of Aircraft Noise Control and Abatement will such intensive effort and development be effectively promoted.

I was delighted with the President's transportation message, recognizing the need for aircraft noise abatement, pointing out that it has become a grave national problem. In his message the President announced the appointment of a task force, and charged it with the responsibility "to frame an action program to attack this problem."

If I may quote from a recent and particularly significant news feature:

Concern over the increase of noise and moves to retard its increase date back to the period of the comfort-sensitive Greeks of Sybaris. Indications are that the noise problem, in general, has been recognized from the beginning of the Industrial Revolution, as one that would ultimately require solutions.

Studies show that excessive noise not only effects sleep, but severely strains the nervous system, can cause deafness and coronary thrombosis and has been shown to destroy efficiency in work. And there is a serious economic factor incurred by this effect on working ca-

capacity as well as an evident depletion in values of real property because of this hazard.

I must point out that quiet is a natural resource that we should protect it as we do our other resources. The Office of Aircraft Noise Control would be able to develop a measuring system for correlating the intensity and quality of aircraft noise. It would study the physiological, sociological, and psychological effects that noise has on us and put into motion the proper methods to do away with noise disturbances.

Modern man should not be left to accept aircraft noise as a necessary evil which accompanies progress. We have an opportunity now to get a meaningful start in the abatement of aircraft noise. And I trust this amendment will prevail overwhelmingly.

Mr. MOSS. Mr. Chairman, I rise to oppose the amendment.

(Mr. MOSS asked and was given permission to revise and extend his remarks.)

Mr. MOSS. Mr. Chairman, I recognize the very onerous burden imposed on those who live near airports and under the landing patterns of airplanes. During the time I spend in Washington, I happen to reside near the river on the Virginia side, under the landing pattern of jets using National Airport, so I am not lacking in understanding of the nuisance created or the scope of the problem facing those who share a similar fate.

But this is not the place nor the time to impose substantive legislation in this field. There is a committee, a very competent committee, which has had under active study, working cooperatively with the appropriate Federal agencies for a number of years, the question of aircraft noise. The Federal Aviation Agency has entered into contracts seeking to gain more understanding and to have the basic knowledge necessary for the formulation of appropriate regulations prescribing measurement standards.

At the very least, if we are doing a responsible job, we need to know what has been accomplished under the contracts entered into by that Agency under the direction of the appropriate legislative committee of this House, the Committee on Interstate and Foreign Commerce.

I served in the 88th Congress on a subcommittee which made extensive inquiries into this problem. It was determined then that we had to have additional research, and much of that is underway. Yet the action proposed in the two amendments now pending would totally ignore and discount completely the value of whatever might have been developed as a result of these contracts and the expenditure of these public funds.

Mr. ROGERS of Florida. Mr. Chairman, will the gentleman yield?

Mr. MOSS. I am happy to yield to my friend from Florida.

Mr. ROGERS of Florida. Mr. Chairman, I too was a member of the committee which considered this problem very thoroughly. I must say that I agree

with the gentleman. Simply formulating a new board or setting up a new organization does not mean we are going to bring about a solution to the noise problem.

What we are pursuing—and it is a proper pursuit, I believe—is research into the problem. That is where the solution is going to come from. This is being done. The legislative committee is handling this jet aircraft noise problem and it is continuing to put emphasis on the problem. Setting up a new board is not going to bring the research or the knowledge. All we are saying is, let us handle this in a reasonable and appropriate manner, under the legislative committee, as we are now doing.

Mr. MOSS. Would not the gentleman agree with me that the creation of yet another new agency could well impede the progress which we are hopeful is being made at the present time?

Mr. ROGERS of Florida. Exactly, because we will have someone without knowledge in a new agency and a new start will be begun all over again. We are already pursuing this problem vigorously.

Mr. ROSENTHAL. Mr. Chairman, will the gentleman yield?

Mr. MOSS. I yield to the gentleman from New York.

Mr. ROSENTHAL. Mr. Chairman, is it the position of the gentleman that if there is a proliferation of agencies and bureaus who have responsibility in this field, it is more efficient than one office that has responsibility?

Mr. MOSS. The gentleman's amendment would not create one office with responsibility. It would create one office in one department with responsibility. It does not deal with the proliferation which already exists in the Department of Defense and in other agencies.

That trap, however well intended it might have been, does not work as the gentleman anticipated.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. MOSS. I am pleased to yield to my friend from Michigan.

Mr. DINGELL. Would not the gentleman agree with me that what is actually being sought by the amendment is being well carried out under existing authority by existing agencies, and what the sponsors of this amendment actually will accomplish is to require the setting up of a new bureaucracy, with all the time to be lost and with all the additional expenditures of money, without any additional accomplishments in the field in which progress is sought?

Mr. MOSS. I believe the gentleman states the position of the Member in the well precisely.

Mr. FINO. Mr. Chairman, I move to strike the requisite number of words.

(Mr. FINO asked and was given permission to revise and extend his remarks.)

Mr. FINO. Mr. Chairman, I rise in support of the substitute amendment offered by the gentleman from New York [Mr. WYDLER].

Anyone who has followed the changing patterns of American transportation over

the years knows that air travel is becoming more and more important. But while the speed of the big jets is a boon to cross country travel, their noise is an ear-shattering burden to many people who live near this Nation's airports.

Let me say that you don't have to live too close to an airport to be irritated by jet noise. Take La Guardia Field in New York, which is just across Long Island Sound from my own district. Some of the jets arriving at La Guardia have recently been landing by flying first over eastern Westchester, then over the northeast Bronx, finally coming in over Queens. The gentleman from New York, Congressman REID, will tell you that people in his district who live 10 or 12 miles from the airport have been plagued by the noise. That is the problem with jets. Their landing patterns bring them in low for a number of miles.

The more jets that go up in the air, the more people are going to be affected by the problems of jet noise. The time to deal with this problem is now—before every city in the country is plagued with unbearable jet noise.

I listened to the gentleman from California, who talked about his committee studying this problem for 3 years. I believe the time has come to act, because the problem is current and the people of this country are disturbed, and particularly those in the area of the jets.

Mr. MOSS. Mr. Chairman, will the gentleman yield?

Mr. FINO. Not at this moment. I will yield later.

Mr. MOSS. I just want to correct the gentleman. We have not studied for 3 years, but rather for 7 years.

Mr. FINO. And for 7 years the committee has been engaged in doing something that has not brought relief to the people of this country.

I am one of those Members who has introduced a bill to establish noise abatement standards. I think that an Office of Aircraft Noise Control and Abatement would be a good place to lodge these supervisory powers.

Earlier this year the gentleman from New York [Mr. WYDLER] offered an amendment to the NASA authorization to earmark \$20 million for an aircraft noise control research program. I am sorry that it did not receive sufficient support from the Democrats. This sort of thing is badly needed. I would expect that the Office of Aircraft Noise Control and Abatement would pursue such a program. I urge support of the substitute amendment as a definite step in the right direction.

Mr. WYDLER. Mr. Chairman, will the gentleman yield?

Mr. FINO. I am happy to yield to the gentleman from New York.

Mr. WYDLER. I just want to say that in offering my substitute amendment I mean no disrespect whatsoever to the chairman of the Committee on Interstate and Foreign Commerce. He is a man I respect as much as any other Member of the House. I have deep affection for him as well.

The fact of the matter is that we are now about to start the month of September. I assume this Congress will adjourn

some time in October. We are not going to have time, as a practical matter, to start hearings, if we want to take action on my amendment and the President's proposal in this session.

I honestly and with all due respect to the chairman, say that I think this problem is important enough with the President's backing and the approval on the Republican side and on the Democratic side to go ahead and get this legislation now, or we will probably not have it at all. We had just better face up to that today. That is the point I am trying to make to the Members of the House assembled here.

Mr. FINO. I agree with the gentleman from New York.

Now I yield to the gentleman from New York [Mr. ROSENTHAL].

Mr. ROSENTHAL. Mr. Chairman, I thank the gentleman from New York for yielding to me.

Much has been said about what has been accomplished in this area. The FAA in fiscal year 1966 spent \$780,000 for research in this field. In fiscal year 1967 they have asked for \$565,000 for research and development in aircraft noise. This does not seem to me to be much progress forward.

Mr. FINO. Mr. Chairman, I want to conclude by saying that this is a problem of great importance to the people of this country. I think this amendment is a step in the right direction, and I hope that the Members of this body will adopt it.

Mr. DINGELL. Mr. Chairman, I rise in opposition to the two amendments.

(Mr. DINGELL asked and was given permission to revise and extend his remarks.)

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield for a unanimous-consent request?

Mr. DINGELL. I yield.

Mr. HOLIFIELD. Mr. Chairman, I would like to request that all debate on this amendment and all amendments to this amendment stop in 15 minutes.

Mr. WYDLER. Mr. Chairman, a parliamentary inquiry.

Mr. DINGELL. Mr. Chairman, I have to make a parliamentary inquiry on that, or I will decline to yield any further.

Is this coming out of my time?

The CHAIRMAN. Yes.

Mr. DINGELL. Then I decline to yield further.

Mr. Chairman, I rise in opposition to both the amendment and to the substitute thereto. I can understand the problems that the gentlemen from New York face with regard to aircraft noise. There is not any portion of this country which does not face the enormous noise problems created by modern aircraft. Each of these aircraft makes a great deal more sound than did the obsolete aircraft of a few years ago and their number is multiplied greatly. But what the sponsors of this legislation seek to do is not to solve the problem but rather to set up another office and to set up more expensive bureaucracy.

Insofar as the accomplishment that is going to come from this is concerned, there will be very little.

Mr. WYDLER. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I cannot yield to my friend, but I will later.

The chairman of the Committee on Interstate and Foreign Commerce has already pointed out that legislation is already before this body which will make a significant and meaningful contribution to the handling of this problem. I refer to H.R. 16171. I would point out that hearings are already promised and consideration of this matter is already promised on this legislation. This authorizes some meaningful progress because—

Mr. WYDLER. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I told my good friend that I cannot yield to him now, but I will at an appropriate time. I cannot do it now.

That legislation affords to the Federal Aviation Administrator the power to establish standards to issue rules and regulations for the abatement of noise in the field of aircraft. My friends from New York would have us believe there has been nothing but an expenditure of funds going on here. The fact of the matter is that \$500,000 a year or \$700,000 a year is an awful lot of expenditure. The effects of that research have been meaningful. From this research have come concrete results.

First of all, the height at which aircraft must fly is now controlled. Second, devices such as baffles and mufflers on jet aircraft are now required and used. Paths for entrance and exit from airports are now fixed by FAA regulation. These are fairly faithfully adhered to.

When the FAA receives a complaint about a violation by aircraft flying too low or coming in too fast, or failing to observe the rules and regulations now prescribed, it acts vigorously to handle the matter. And, I am satisfied that if anyone here knows of any instances to the contrary, if they will bring them to the attention of the Committee on Interstate and Foreign Commerce, we will see to it that they are very vigorously gone into by the FAA.

Mr. Chairman, the point I want to leave with the gentlemen who have spoken on this subject is simply this: The establishment of a new agency is going to entail additional organization, additional hiring, additional people and, of course, at additional cost. It means more time lost in organization and more expenditures of the taxpayers' money before the problem is solved.

Mr. Chairman, if this body wants to have the matter considered properly, I believe the way in which it can be done is to have the Committee proceed to do what it has announced it fully intends to do, and that is to go into the problem of aircraft noise abatement. The legislation concerned would afford the Administrator of the FAA the authority to carry out his responsibilities and to give to him the statutory authority to abate the noise and to study the problem about which the gentlemen from New York are rightfully concerned. But, Mr. Chairman, to simply set up another bureaucracy in the Federal Government at additional cost to the taxpayers, does

not represent a proper approach to the solution of the problem.

Mr. WYDLER. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. Of course I yield to the gentleman from New York.

Mr. WYDLER. Mr. Chairman, how does the gentleman from Michigan assure us with reference to these hearings which we have been promised?

Mr. DINGELL. The chairman of the Committee on Interstate and Foreign Commerce who is presently on the floor has just told me that hearings will be forthcoming at an early date on H.R. 16171. I happen to be the ranking member of the subcommittee on transportation of the Committee on Interstate and Foreign Commerce on the Democratic side and I give to the gentleman from New York my assurance that the subcommittee will go into this matter at a very early date.

But, Mr. Chairman, I say to the gentleman that the way or the manner in which the gentleman from New York seeks to accomplish this purposes, although it is well intentioned, is poorly designed to accomplish the purpose that the gentleman rightfully wants to accomplish. I say this, even though I commend the gentleman for his effort and share his concern with reference to the problem.

Mr. WYDLER. Mr. Chairman, if the gentleman will yield further, could the gentleman from Michigan assure me that between now and the time the Congress adjourns the hearings that will be held by this committee and the hearings that will have to be held in the other body will take place and that the time is available for this at this session of Congress?

Mr. DINGELL. Mr. Chairman, I can only assure the gentleman from New York that the chairman of the Committee on Interstate and Foreign Commerce, the gentleman from West Virginia [Mr. STAGGERS], has assured me that hearings will be held at an early date.

Mr. REID of New York. Mr. Chairman, I move to strike the requisite number of words.

(Mr. REID of New York asked and was given permission to revise and extend his remarks.)

Mr. REID of New York. Mr. Chairman, I shall be brief and I shall not use the full 5 minutes.

But, Mr. Chairman, I will say to the Members of the Committee of the Whole House on the State of the Union that I have been disappointed in what is happening to the Department of Transportation bill which is now pending on the floor of the House. The bill is a shadow of its former self.

Mr. Chairman, it is increasingly clear to me that there will be amendments to the original bill and that it has been largely cut in serious places.

Mr. Chairman, I believe we have an opportunity to do something here today that will be useful with regard to the abatement of aircraft noise in this country consistent with the primacy of air safety.

Mr. Chairman, in general, I would support both the amendment and the amendment to the amendment offered by the two gentlemen from New York [Mr.

ROSENTHAL and Mr. WYDLER]. However, it is possible that the committee, in its wisdom, may not act, and I would like to direct my attention a little bit further, if I may, to the chairman of the Committee on Interstate and Foreign Commerce, the gentleman from West Virginia [Mr. STAGGERS], who is on the floor.

The gentleman and I recently had a colloquy on the floor and the point that I tried to make at that time was that there was a danger, if not the probability, that the bill which I offered, H.R. 17351—virtually identical to a bill introduced by other Members—may not be acted upon by this body and may not be acted upon by the other body. Therefore, Mr. Chairman, we have an opportunity to do something in a bill which I hope will be acted upon at this time.

Mr. Chairman, I would ask the chairman of the Committee on Interstate and Foreign Commerce, the gentleman from West Virginia [Mr. STAGGERS], to state once again what his time schedule is and the efforts which the gentleman will make to secure action on H.R. 16171, H.R. 17351 and related bills which I believe are necessary and which the chairman of the committee has stated are needed in order to assist us in alleviating a most serious problem?

Mr. STAGGERS. Mr. Chairman, will the gentleman yield?

Mr. REID of New York. Of course I yield to the distinguished chairman.

Mr. STAGGERS. All I can say again to the gentleman is what I have said previously, that we have under consideration a bill which I believe is of equal importance, if not greater.

Once we complete that bill, we will assign this bill with many others to the subcommittee and this will be one of the first bills that will be considered. That is about all I can say to the gentleman from New York.

Mr. REID of New York. Might I just ask the distinguished chairman, and I thank him for his comments, whether this bill, subject to the piece of legislation that precedes it, will have priority attention by his committee? In addition to that, would he give us some information about the appropriate efforts he might take to encourage action by the other body as well?

Mr. STAGGERS. May I say that I think this is probably just as important to the other body as it is to this body. It is not my purpose to go over to the other body and tell them what to do any more than they should tell me.

Mr. REID of New York. Am I correct, Mr. Chairman, in saying that the bill will have priority attention by the committee once the one additional bill, the Fair Labeling and Packaging Act, has been acted upon?

Mr. STAGGERS. All I can say again to the gentleman is this—and I have said it before and this is the third time—that we are having hearings now that have been going on for a month and a half. We intend to complete the hearings and when we do we will go into subcommittees to hear this bill and other bills. There are many bills that have to be heard.

Mr. REID of New York. I thank the gentleman for his assurances on this.

Mr. WYDLER. Mr. Chairman, will the gentleman yield?

Mr. REID of New York. I yield to the gentleman.

Mr. WYDLER. Mr. Chairman, I just want to say this one thing about the point on bureaucracy. I too share the concern of my associates over bureaucracy on the matter of the creation of a bureaucracy. But let us make it clear that there currently exists within the department people who are working on this problem. So what is going to be done by this amendment is to give them the responsibility and to keep the responsibility on those people to accomplish something. So you are not adding jobs. You are not adding people. What you are doing here is adding results to the money that is already being spent. There is no new bureaucracy being created by this amendment.

Mr. REID of New York. Mr. Chairman, I urge the adoption of the amendment pending before this body. It is, as I again say, in support of doing something in this area consistent with the primacy of air safety.

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from New York [Mr. WYDLER].

The question was taken; and on a division (demanded by Mr. WYDLER), there were—ayes 23, noes 51.

So the substitute amendment was rejected.

Mr. FINO. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and thirty-nine Members are present, a quorum.

The question is on the amendment offered by the gentleman from New York [Mr. ROSENTHAL].

The question was taken; and on a division (demanded by Mr. ROSENTHAL) there were—ayes 36, noes 82.

So the amendment was rejected.

AMENDMENTS OFFERED BY MR. GARMATZ

Mr. GARMATZ. Mr. Chairman, I offer amendments with a single purpose, and I ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. GARMATZ: On page 4, beginning on line 5, strike out "(3) a Federal Maritime Administration, and (4)" and insert in lieu thereof "and (3)".

On page 14, strike out line 1 and all that follows down through line 14 on page 15.

On page 15, line 15, strike out "(6)" and insert in lieu thereof "(5)".

On page 37, line 25, strike out "(82), and (89)" and insert in lieu thereof "and (82)".

On page 38, strike out lines 3 through 6. Redesignate subsections (g) and (h) of section 10 as (f) and (g), respectively.

The CHAIRMAN. The gentleman from Maryland is recognized for 5 minutes.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. GARMATZ. I yield to the gentleman from California.

Mr. HOLIFIELD. Mr. Chairman, I ask unanimous consent that the gentleman from Maryland may have 5 additional minutes. This is the most important amendment in the bill, and I want it thoroughly debated.

The CHAIRMAN. Is there objection to the request of the gentleman from California? The Chair hears none, and it is so ordered.

There was no objection.

The CHAIRMAN. The gentleman from Maryland is recognized for 5 additional minutes.

Mr. GARMATZ. Mr. Chairman, as a member of the Government Operations Committee I voted for this bill. There is a great deal of merit in most of it. And I want to commend the distinguished gentleman from California [Mr. HOLIFIELD] for his patient and diligent handling of the bill in committee.

I want to make it clear at the outset that my following remarks are not in opposition to the establishment of a Department of Transportation.

However, as chairman of the Committee on Merchant Marine and Fisheries, I am speaking in opposition to those parts of this bill which would place the maritime functions of the present Department of Commerce and Maritime Administration into the new Department of Transportation.

My statements reflect not only my own views, but the views of an overwhelming majority of the members of the Committee on Merchant Marine and Fisheries.

To this end, on June 21, 1966, the Merchant Marine Committee adopted a resolution. Committee resolution No. 10 expressed the sense of the committee that "there be established a new independent agency, to be known as the Federal Maritime Administration," not under the authority of any other department or agency of the Government.

The resolution directed that I advise the chairman of the Government Operations Committee of our position and urge that the Department of Transportation bill be amended so as to delete therefrom all provisions pertaining to maritime matters.

There is some history to all of this—quite a lot of it. I will not belabor the background because I believe some of my colleagues are prepared to expand on this point.

But putting it in the simplest terms: Maritime affairs and the administration of our national maritime policy have been neglected during the several periods that they have been under executive department jurisdiction.

An editorial appearing in the New York Journal of Commerce about a week ago had this to say:

The only real case for absorbing the MA (Maritime Administration) in the larger grouping of transport agencies was of the type that appeals most of all to people who draw large numbers of big and small boxes on Government organizational charts, illustrating who must report to whom and how the chains of command dribble down from one layer of boxes to another.

As far as maritime affairs are concerned, this bill does nothing more than

satisfy someone's urge for bureaucratic tidiness.

It does not taken into account the fact that there is little that the Maritime Administration does or can do that bears much relationship to what the overall department and its segments concerned with various aspects of domestic transportation would be doing.

Nor does it calm the fears of those who believe that by transferring maritime functions to this vast new melting pot of transportation the agency charged with promoting American shipping would be overwhelmed by far larger interests.

On March 3 of this year—1 day after the President's transportation message was delivered—I expressed my disappointment that our existing maritime laws have not been implemented effectively in the past few years, while a variety of inconclusive studies have been underway. Specifically, I stated that Reorganization Plan No. 7 of 1961 had not accomplished what we hoped it would. I expressed misgivings about whether the transfer of the Maritime Administration as a minor component of one executive department to another one would improve things. I pointed also to the fact that the references to the American merchant marine in the transportation message were disappointingly meager. In other words, the merchant marine was virtually buried in the message, even before the bill was drafted.

Thus, since Reorganization Plan No. 7 of 1961—except for a few generalizations—there has been little indication that those responsible for administering maritime policy have really had the welfare of the American merchant marine at heart, or even understood its significance as an instrument of national policy. Sound programs have been withheld under the excuse of waiting for the completion of various studies looking toward the development of new policies.

Now it appears that under this bill there would be further periods of study before programs get underway, and existing policy will continue to be neglected.

The drift and inaction of recent years goes far to explain the attitude of many of us concerned with the welfare of the American merchant marine. This attitude was expressed in the following way by Mr. Paul Hall, president of the AFL-CIO Maritime Trades Department, in speaking for virtually all of American maritime labor. He said:

If we are to be buried, we might as well be buried as we are. We might as well be buried in one place as another, and it is not important where that burial ground is to be if, in fact, it is to be that.

In conclusion, Mr. Chairman, I want to repeat that I am not here opposing the creation of a Department of Transportation.

I want to stress, however, that our committee has approached this subject sincerely, soberly, and thoughtfully.

We think we know something about the specialized problems of the American shipping industry.

We have dealt with matters in the

oceanic environment since the creation of the committee in 1887.

Indeed, the kinship between the merchant marine and the Coast Guard, the Coast and Geodetic Survey, the fisheries, and oceanography, is far closer than the relationship between the merchant marine and the other forms of transportation—domestic in fact or domestic in treatment under law—proposed to be coordinated under this bill. As a matter of fact, the kinship between the President's export expansion program and a strong American-flag merchant marine makes a somewhat logical argument for leaving maritime functions where they are.

Overall, however, we believe an independent agency would be the most effective instrument.

We do not feel that we are taking a go-it-alone position. On the contrary, we feel that there are logical reasons for not including Maritime matters in the Department of Transportation.

We believe that if Maritime is excluded from this bill, and soon receives independent status, the Executive will give it the attention it deserves, just as it does on such others matters as atomic energy, space, and mass transit. These things, especially atomic energy and space, have special features and warrant special treatment. It is to be expected that the President will realize these facts and treat them accordingly.

I hope you will support me in those efforts, and I urge you to do so. It will be in our best interests, believe me.

We have a bill of our own, H.R. 11696, which would create an independent Maritime Administration.

A rule has been granted on that bill.

After this bill has been acted upon we hope to call up our bill—and again look for your support—so that a vital industry upon which our Nation's existence depends will again flourish in behalf of our economy and national security.

Mr. Chairman, in closing I wish to say that I have a number of telegrams I have received from all segments of the maritime labor organizations and from all the shipping interests.

I have one from Mr. Casey, representing the American Merchant Marine Institute and all segments of the maritime industry as a whole, supporting in particular the amendments we are offering today.

Mr. Chairman, I believe these telegrams will be of interest to the committee, and I include them at this point:

NEW YORK, N.Y.,
August 23, 1966.

HON. EDWARD A. GARMATZ,
Chairman, House Merchant Marine and Fisheries Committee, Washington, D.C.:

The institute extends congratulations to you and your associates on the committee for the gallant fight being waged to obtain an independent maritime agency. Although uphill all the way, conditions are now extremely favorable and AMMI wishes to assure committee of its continued wholehearted support. We stand ready to assist in any way possible.

RALPH E. CASEY,
President, American Merchant Marine Institute, Inc.

WASHINGTON, D.C.,
August 29, 1966.

HON. EDWARD A. GARMATZ,
*Chairman, House Merchant Marine and
Fisheries Committee, House Office Build-
ing, Washington, D.C.:*

The SOS committee comprised of all mar-
time labor unions affiliated with the AFL-
CIO again advise you that our position with
respect to an independent maritime agency
has not changed. That we favor unwaver-
ingly such an agency, and that we believe the
welfare of the maritime industry depends
upon the establishment and maintenance of
such an independent agency.

RUSSELL K. BERG,
*President, International Brotherhood
of Boilermakers, Iron Ship Builders,
Blacksmiths, Forgers, & Helpers.*

THOMAS GLEASON,
*President, International Longshoremen's
Association, AFL-CIO.*

JOSEPH CURRAN,
*President, National Maritime Union of
America.*

PAUL HALL,
*President, Seafarers International Union
or North America.*

CHICAGO, ILL.,
August 24, 1966.

HON. EDWARD A. GARMATZ,
*House Office Building,
Washington, D.C.:*

The AFL-CIO executive council today
unanimously adopted the following state-
ment:

"Today the American merchant marine is
being called upon to meet a war situation for
the third time in 25 years, owing to the neg-
lect of this industry by the Government since
the end of World War II, and the failure of
the Defense Department to foresee and admit
the need for merchant ships to transport
troops and supplies across the seas, the con-
dition of the merchant fleet, its supporting
shipyards and available skilled manpower,
have reached the point of crisis.

"Shipping has played a vital part in Amer-
ican history. Today, as the result of short-
sighted policies on the part of Government
officials with no understanding or sympathy
with the significance of commercial seapower,
we have fallen to third-rate status among
the maritime nations.

"This neglect, which gravely threatens the
security of the nation and the maintenance
of our overseas commitments, would con-
tinue if the Maritime Administration is per-
mitted to be buried in another Government
department, with conflicting and competing
interests, whether Transportation or Com-
merce. To prevent the essential needs of this
vital industry from being continually ignored
and submerged, and to make possible the
steps necessary to its revival, the responsi-
bility must be placed in an agency which has
the status and authority necessary for the
performance of its duties. We therefore
strongly support the effort to establish an
independent maritime agency."

GEORGE MEANY,
President, AFL-CIO.

WASHINGTON, D.C.,
August 30, 1966.

HON. EDWARD A. GARMATZ,
*Chairman, Committee on Merchant Marine
and Fisheries, House of Representatives,
Washington, D.C.:*

Our members in all sections of country
wholeheartedly endorse legislation approved
by Committee on Merchant Marine and Fish-
eries, under your able leadership, to create
independent Federal Maritime Administra-
tion. Justification for separate agency has,
in our judgment, been persuasively presented
to you and your colleagues in House Report
1820. I am authorized by our membership
to convey this statement to you.

EDWIN M. HOOD,
President, Shipbuilders Council of America.

Mr. Chairman, I also have a copy of a
telegram in reference to some statements
which were supposed to have been made
with reference to the meeting between
Mr. Curran and the White House and
some people here in Washington on the
Hill.

We support the Bonner bill, H.R. 11696.
Any statements that we have agreed to
amending the transportation bill which do
not carry out fully the Bonner bill are false.
To date we have agreed with no one on any
amendments whatsoever. No amendment
to the Department of Transportation bill
would be satisfactory to us that did not
establish an independent Maritime Admin-
istration, clothed with the responsibility
and authority to carry out our maritime laws
and programs, and an independent Maritime
Board. The Bonner bill continues to have
our complete support.

JOSEPH CURRAN,
*President, National Maritime Union and
Vice President, AFL-CIO, and Chair-
man, AFL-CIO Maritime Committee.*

Mr. ROONEY of New York. Mr.
Chairman, will the distinguished gentle-
man from Maryland, the chairman of
the great House Committee on Merchant
Marine and Fisheries, yield to me at this
point?

Mr. GARMATZ. I yield to the gentle-
man from New York.

Mr. ROONEY of New York. As the
chairman of the Subcommittee on Ap-
propriations which has appropriated
funds for the maritime activities of this
Government over many years, I should
like to commend the distinguished gen-
tleman upon his statement and say that
he is correct in every respect when he
finds fault with the management of our
merchant marine, which has been per-
mitted to deteriorate to the extent that
it has. I shall wholeheartedly support
the amendment which the gentleman has
offered.

Mr. GARMATZ. I thank the gentle-
man from New York.

Mr. BOW. Mr. Chairman, will the
gentleman yield?

Mr. GARMATZ. I yield to the gentle-
man from Ohio [Mr. Bow].

Mr. BOW. As the ranking minority
member of the subcommittee of the
Committee on Appropriations which
handles the merchant marine activities,
I should like to join my distinguished
chairman, the gentleman from New
York [Mr. ROONEY], in complimenting
the gentleman for bringing these amend-
ments to the floor. I shall support them.

Mr. GARMATZ. I thank the gentle-
man very much.

Mr. FRIEDEL. Mr. Chairman, will the
gentleman yield?

Mr. GARMATZ. I yield to the gentle-
man from Maryland.

(Mr. FRIEDEL asked and was given
permission to revise and extend his re-
marks.)

Mr. FRIEDEL. Mr. Chairman, I rise
to join my colleague, the chairman of
Merchant Marine and Fisheries Com-
mittee, in support of the amendment
which would remove the Federal Mari-
time Administration from the proposed
Department of Transportation and es-
tablish it as an independent agency.
Our merchant marine industry is cur-
rently bedeviled by many complex prob-
lems. There is no reason to add to their

complexity by submerging the Maritime
Administration in another huge depart-
ment.

During the years that the Maritime
Administration has been in the Depart-
ment of Commerce, the status of the
American merchant marine has con-
tinued to sink. The world's greatest in-
dustrial power has, by no means, the
world's greatest merchant fleet. We, in
fact, have a fleet that is rapidly becom-
ing obsolete. New ships are not being
built fast enough to replace aging ves-
sels, and we are not adequately meeting
either our commercial or our defense
needs. More than 120 World War II
cargo ships have been pressed back in
service to supply our troops in Vietnam.
These ships are obviously far from the
most efficient vessels afloat. We should
be able to do much better than this.

We would be able to do better than
this if congressional intent had been
effectively implemented through the
creation of a strong merchant fleet. This
has not been done, and I fear that it will
not be done in the proposed Department
of Transportation. This new department
will be basically oriented toward domes-
tic transportation. The American mer-
chant marine, on the other hand,
operates internationally. Very different
considerations apply to our national flag
fleet. Our balance-of-payments posi-
tion is adversely affected, for example, by
shipping in foreign bottoms.

President Roosevelt said in a message
preceding the enactment of the Mer-
chant Marine Act of 1936:

An American merchant marine is one of
our most firmly established traditions. It
was, during the first half of our national ex-
istence, a great and growing asset. Since
then, it has declined in importance and
value. The time has come to square this
traditional ideal with effective performance.

President Roosevelt's statement is as
true today as it was 30 years ago. It is
a measure of our failure to come to grips
with the problems of our merchant ma-
rine industry. This unfortunate situa-
tion must be corrected through strong
Government leadership, and I am con-
vinced that such leadership can best be
provided in an independent Federal
Maritime Administration.

Mr. MAILLIARD. Mr. Chairman, I
move to strike the requisite number of
words.

(Mr. MAILLIARD asked and was given
permission to revise and extend his re-
marks.)

Mr. MAILLIARD. Mr. Chairman, and
ladies and gentlemen of the committee,
I do not want to use an excessive amount
of the time of the committee, and I will
try to finish in less than the 5 minutes
allocated to me, but for those interested
in the reasons and arguments of the vast
majority of the members of the Com-
mittee on Merchant Marine and Fish-
eries, if you will look at yesterday's REC-
ORD and read the statements made there
yesterday during the general debate by
a number of the members of our com-
mittee, I will think you will see the logic
behind our position that maritime af-
fairs are really not so intimately related
to other transportation matters as to war-
rant their being included in this new
Department of Transportation.

I have said yesterday that I do not for a moment question the sincerity of my distinguished friend from California [Mr. HOLIFIELD]. He has been a very good friend of the merchant marine over many, many years, but he probably has not known so intimately the problems of this industry as those of us who are on the Merchant Marine and Fisheries Committee, and as is the distinguished gentleman from New York [Mr. ROONEY] who has been handling appropriations for marine affairs for many years, and my friend, the gentleman from Ohio [Mr. BOW], who has been the ranking minority member on that appropriations subcommittee. They and I, since I have been here for 14 years, have wrestled with these problems on the Merchant Marine and Fisheries Committee. The arguments in favor of putting this in a department where it will have a man of Cabinet rank to speak for maritime affairs is just like a broken record. These are precisely the same arguments made in favor of Reorganization Plan No. 7 in 1961. Since then the merchant marine has been in even worse shape than it was before then, and it was not in too good shape in the years preceding that.

I think we have every reason to feel that maritime affairs when placed in competition with the multibillion-dollar programs in domestic transportation can only be, as they have been in the Department of Commerce, a poor country cousin to which little or no attention will be given. So with all of the sincerity that I can command I urge those of you who do not perhaps have the degree of familiarity with maritime problems that we on the legislative committee and on the Committee on Appropriations have, that you accept our judgment and our feeling that this is not a solution, and it is not the way to give the United States the strong, competitive merchant marine that the national interest requires.

Mr. MURPHY of New York. Mr. Chairman, will the gentleman yield?

Mr. MAILLIARD. Yes, I yield to the gentleman.

Mr. MURPHY of New York. I want to associate myself with the remarks of the gentleman from California, and point out to the House that I joined with him many months ago in submitting legislation before this House to make the Maritime Administration and the Maritime Board responsible, and to take away from the Maritime Administrator the powers of one-man rule in that body, and to broaden it out to a panel of either three or five men. This legislation was submitted because of the problems which the merchant marine faced that were carefully outlined by both the gentleman from California and the gentleman from New York [Mr. ROONEY].

The problem with our merchant marine stems from one of neglect, since the end of World War II. The United States at that time controlled 90 percent of the world shipping. It was only logical that this very high figure would adjust downward as peace returned to the world. We placed many of our excess ships in the reserve fleets and sold others to foreign nations. As of this fiscal year we are down to the point where only

13 ships have been authorized by the Bureau of the Budget. And in this shipping construction area lies the problem of our merchant marine. At the present time about 17 American flagships disappear from the shipping lanes of the world each year. Thirteen does not replace them, but lets us fall further behind world powers. At present Russia, for example, is constructing 100 ships. We must have a maritime policy and I am certain that by an independent Maritime Administration, the problems of the Merchant Marine and attention to these problems will be concentrated to a greater degree.

Mr. Chairman, I would like to associate myself with the remarks made by the gentleman from California [Mr. MAILLIARD].

(Mr. MURPHY of New York asked and was given permission to revise and extend his remarks.)

Mr. MAILLIARD. Mr. Chairman, in closing, may I say that this is not something—this is not an idea that we have brought forth since the President's transportation message.

Mr. Chairman, I introduced a bill, the first one that was introduced in this Congress, almost a year ago, designed to make the Maritime Administration an independent agency. I also believe that some 20 or more Members of the House of Representatives have introduced similar bills, many of which were introduced long before the date on which the transportation proposal was submitted.

So, Mr. Chairman, I urge my friends on both sides of the aisle to join with the committee and strike Maritime out of this Department and see if we cannot come up with something that is acceptable as a proper structure in order to guarantee to us a strong merchant marine.

Mr. HARDY. Mr. Chairman, I move to strike the requisite number of words.

(Mr. HARDY asked and was given permission to revise and extend his remarks.)

Mr. HARDY. Mr. Chairman, I regret extremely that I find myself in disagreement with my good friend the able chairman of the Committee on Merchant Marine and Fisheries, and the gentleman from Maryland [Mr. GARMATZ], and my good friend and neighbor who lives in an adjoining district to me in Virginia. But we are not in any disagreement about objectives. On these we are together but we are in disagreement as to the methods needed to achieve our objectives.

Mr. Chairman, I yield to no one in my desire to see a strong merchant marine. I am sure that few if any districts have more maritime activity than that which is carried on in the congressional district which it is my honor to represent.

Mr. Chairman, I am concerned, and my purpose in speaking in opposition to the amendment is to accomplish for this Nation the best merchant marine that we can possibly achieve.

Mr. Chairman, I believe we are all in agreement as to what we want. But, perhaps, we ought to take a further look at what we need and what the real problem is.

Mr. Chairman, what do we really seek in an American merchant marine?

First of all, we seek supremacy, su-

premacy of the U.S. flag on the shipping lanes of all the oceans. In order to have this, we have to have more ships. We have to have modern ships. We have to have more ships employing more American merchant seamen. We have to have more ships carrying more commerce. We have got to have more and better ships to back up our defense by providing the sealift that we need, and we need it now—we do need it now.

Mr. Chairman, I do not disagree for a moment with the observations that have already been made about the plight of our merchant marine.

We need to correct this situation, but how do we accomplish what these gentlemen have in mind? Where is the problem?

Mr. Chairman, the problem is not in statutory authority. We have the Merchant Marine Act of 1936 and the stated policy of the Congress is there. The provision for providing the ships that we need is there. The provision for operating subsidies is there.

Therefore, Mr. Chairman, what is our problem? Is it money? Perhaps in part.

But, Mr. Chairman, all of the members of the Committee of the Whole House on the State of the Union heard the comments of the distinguished chairman of the subcommittee which provides funds for the merchant marine. My good friend, Mr. ROONEY, made clear his support of our merchant marine and his desire to see that it is adequately financed.

I doubt that that is our problem. Maybe we have not pressed the Committee on Appropriations sufficiently for funds.

But, supposing we had received increased appropriations—with the top level administration policy we would not have had ships built. We would not have had additional subsidized trade routes.

So basically the problem rests right in the top administrative circles of our Government. That is where the problem has rested during these years when our merchant marine has gone into a decline.

If we had had top administration policy calling for a merchant marine second to none, a merchant marine occupying its proper place in the sea lanes, we would have had that kind of a merchant marine.

I think what we need to do is to try to find some way to get that. I say to you, we will not get it by making Maritime an independent agency. The best way the Maritime Administration can have access to the top policymakers of the country, to the White House, is through a Cabinet officer. Make no mistake about that. The best way is through an officer who sits in the President's Cabinet.

Mr. GILBERT. Mr. Chairman, will the gentleman yield?

Mr. HARDY. I yield to the gentleman.

Mr. GILBERT. I would like to ask the gentleman if it is not a fact that at the present time the merchant marine is represented by a Cabinet member in the Department of Commerce?

Mr. HARDY. The gentleman's point is well taken. The merchant marine at the present time is under the Maritime Administration which is in the Department of Commerce.

Mr. GILBERT. That is correct. They are represented at the top level.

Mr. HARDY. It is a small wheel in a big machine, and it is lost in that agency. There are some other things wrong with it also. There were some mistakes made, in my judgment, in the Reorganization Plan No. 21 in 1961—I believe it was. There were some mistakes made. Frankly, I think now and I thought at the time when that reorganization plan was under consideration that we should not have the Secretary of Commerce controlling subsidy awards, or vetoing them.

Mr. GILBERT. Mr. Chairman, will the gentleman yield further?

Mr. HARDY. I yield to the gentleman.

Mr. GILBERT. Does not the gentleman think the Maritime being lumped in with all this other transportation is equally going to be lost?

Mr. HARDY. I cannot think of any more important element in the transportation of the United States than its commerce on the seas. I cannot think of anything that is any more important, and requiring top level administration attention than transportation.

If you consider the fact that one-fifth of the cost of everything we buy is transportation costs, then we need to place all of these things together and we need to have somebody in the top administration circles who can coordinate all of these things—all of them. If Maritime is not a part of transportation, then I would not know where it belongs.

Mr. GILBERT. I completely agree with the gentleman in his statement except as to his conclusions.

Mr. HARDY. Of course, the gentleman and I would be in disagreement on that. I understand the gentleman and I am sorry that we are in disagreement on it. But my convictions are very, very strong.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. HARDY. I yield to the gentleman.

Mr. HOLIFIELD. Mr. Chairman, on the question of the Maritime Administration being in the Department of Commerce, let me read to you some of the activities of the Department.

The activities of the Department include: Population, agriculture, and other censuses; collection analysis and decimation of commercial statistics; promotion of foreign and domestic commerce; coastal and geodetic surveys; compilation and publication of nautical and aeronautical charts; the establishment of commodity weights, measures, and standards; the issuance of patents and registration of trademarks; the supervision of the issuance of weather forecasts and warnings; the administering of a program of Federal aid for areas designated as "redevelopment areas."

I can go on and there are 25 more functions of the Department of Commerce.

I agree with the gentleman that there is a great deal of difference between the present situation and putting the Maritime Administration in a department whose sole and only object is the promotion and development of all modes of transportation. There is no doubt in anyone's mind that this is a step forward—a long step forward—to give it the attention that it needs of a Cabinet Secretary who is concerned only with the improvement of transportation.

Mr. HARDY. The gentleman is eminently correct in his reasoning on this matter.

There are one or two other points that I wanted to make.

Undoubtedly, there is need for change in the existing legislation and perhaps the House Committee on Merchant Marine and Fisheries will address itself to that. If the pending amendment is defeated, I do hope that somebody will offer—and I believe there is a plan to offer an amendment which will take out the subsidy board from under the jurisdiction of the Secretary. If so, I shall certainly support it because in my view it ought never to have been put in there. There may be some needed changes with respect to the commission itself and if so the Committee on Merchant Marine and Fisheries is amply able to cope with those requirements.

Let us now return for a moment to the question of trying to get some support in the top administrative circles. That is what we need. We need the support of the President. I think it is up to us from the maritime communities, the maritime industry, and others interested in the merchant marine to try to see if we can get the White House to take a proper view of the needs of our American merchant marine. It is up to the industry; it is up to the shipping people; it is up to the leaders in organized labor to try to get the President to put more emphasis on our merchant marine.

But let me say this to you: Let us not overdo the present situation. Let us not take Maritime out of the bill, because if we do, the chances are that it will stay exactly where it is now.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. HARDY. I yield gladly to our majority leader, the gentleman from Oklahoma.

Mr. ALBERT. The gentleman has made a very pertinent observation. In my opinion, if this agency goes into the Department of Transportation we will see a revival of interest at the top levels of the Government in building up an American merchant marine second to none in the world.

Mr. HARDY. And I am sure we can count on our majority leader to help us stimulate that interest at the White House.

Mr. ALBERT. You certainly can, and may I say that although I come from the internal part of the country, I do not think there is anything more important to American manufacture, American agriculture, or American defense than a great American merchant marine.

Mr. HARDY. Defense first and foremost. I say to you, let us not make the

mistake of taking maritime out of the bill. If we knock it out, you can bet your bottom dollar that it will stay in the Department of Commerce, and its prospects of attaining there the importance that we want for it are very remote.

Mr. EDWARDS of Alabama. Mr. Chairman, I rise in support of the amendment.

(Mr. EDWARDS of Alabama asked and was given permission to revise and extend his remarks.)

Mr. EDWARDS of Alabama. Mr. Chairman, I am interested in the colloquy that has just taken place here, because everyone seems to agree that the big problem with the merchant marine is that over the past years the administration has not taken sufficient interest in the merchant marine. I do not know what there is about the Department of Transportation that will change that. We have a Cabinet-level officer over the merchant marine now and the administration has not taken any interest, and I do not know by what magic changing Cabinet officers will all of a sudden trigger the administration's desire to do something about the merchant marine.

Now, Mr. Chairman, I wish to join my distinguished colleague from Maryland, the chairman of the House Merchant Marine and Fisheries Committee, in urging the House not to transfer the Maritime Administration to the Department of Transportation as provided for in the bill, H.R. 15963.

I have had the unique opportunity of serving on our Committee on Government Operations which considered the Department of Transportation bill, H.R. 15963, as well as our Committee on Merchant Marine and Fisheries which has concluded comprehensive hearings on a bill which would establish an independent Federal Maritime Administration. Although my recent assignment to our Committee on Government Operations did not permit me to participate in all the discussions on H.R. 15963, I was involved in the final deliberations by the committee on H.R. 15963, and I have been active on our Committee on Merchant Marine and Fisheries in its consideration of its independent agency bill, H.R. 11696. It was because of this somewhat unique dual capacity that I filed separate views in the report of our Committee on Government Operations on the Department of Transportation bill, expressing my considered opinion that the best interests of the country would be served by the removal of the Maritime Administration, both from the Department of Commerce where it presently is lodged, and from the Department of Transportation where it is now proposed to be transferred by H.R. 15963.

The problem in a nutshell is that today there exists a clear and blatant action gap between our national maritime policy as enunciated in the Merchant Marine Act of 1936 and administrative programs designed to implement that policy. The American merchant marine today is in a state of perilous decline requiring more, not less, remedial attention by the Federal Government. It is a sick industry. Our ships are both

physically and economically obsolete. Approximately 85 percent of our ships are of World War II vintage, making them at least 20 years old. Within 5 years this large bloc of ships will reach the end of their economic lives. The time is now, if not long overdue, for this Nation to take prompt, effective and constructive action to arrest and overcome this perilous decline. Yet, the prospects of such a warning ever being heeded are exceedingly doubtful while the industry's voice continues to be muted in the bureaucratic caverns of either the Department of Commerce or the Department of Transportation as now proposed by H.R. 15963.

Sixteen years ago, the responsibility for the promotion of the American merchant marine was vested in an independent agency, the U.S. Maritime Commission. Through successive reorganization plans in 1950 and 1961, the independence of that agency was progressively diminished to a point where today it is in a subservient position within the Department of Commerce. This has served to effectively stifle the voice of our vital maritime industry. The toll it has taken is reflected in the participation in our foreign trade by vessels of American registry. While our total foreign trade has been showing a marked growth, participation in the carriage of that trade by U.S.-flag ships has become alarmingly smaller and smaller. From 1950 to 1954 our vessels' share of our national trade declined from about 42 percent to less than 28 percent. In the 5-year period between 1960 and 1964, our foreign trade increased about 25 percent, yet participation in that trade by vessels of American registry actually decreased. Today our ships carry about 8 percent of our trade.

I am, therefore, genuinely concerned over the bleak future of the American merchant marine if the Maritime Administration is allowed to be swallowed up in the Department of Transportation as proposed by the bill, H.R. 15963. For me, there is not the slightest glimmer of any hope of revitalizing this ailing industry if this is permitted to come to pass, since we would only be perpetuating the same mistakes of earlier years by denying the industry a voice and much-needed Federal leadership.

Certainly, an industry such as the American merchant marine which responded so well to the demands of this Nation in World War II, in Korea, and now in Vietnam is deserving of far greater consideration than that which is exemplified by the proposal embodied in H.R. 15963. This industry has been appropriately characterized as a "hero in war—stepchild in peace." I therefore urge that we in the House do not err in adding our support to this characterization by making it a stepchild in the Great Society in both peace and war. I most sincerely urge that the House strike the Maritime Administration from the Department of Transportation bill, H.R. 15963. I therefore vigorously support the Garmatz amendment, and I ask you today, to stand with the Merchant Marine Committee, the maritime

industry—both labor and management, the shipbuilding industry—both labor and management, and vote for this amendment.

(Mrs. SULLIVAN asked and was given permission to revise and extend her remarks.)

Mrs. SULLIVAN. Mr. Chairman, I rise in support of the amendment and move to strike the requisite number of words.

As ranking member of the Committee on Merchant Marine and Fisheries, which has considered this matter carefully and honestly in an effort to provide guidance to the House in a matter in which our committee has competence, I strongly support an amendment to the Department of Transportation bill to permit the establishment of a separate and independent maritime agency.

There are overriding considerations of national interest and national security, as well as economic justification for such an agency—one separate and distinct from those dealing with other aspects of transportation.

Every form of transportation is important to our economy and to our country, and healthy competition between them is good for the economy and for the country as well as for the individual firms involved in these industries.

But our merchant marine industry is in a unique and serious situation.

DEEPWATER SHIPPING IN DEEP TROUBLE

Our merchant marine is in trouble—in deep trouble—or, rather, we as a nation are in deep trouble because of the decline in our deepwater shipping. The national maritime policy of the United States, set forth 30 years ago in the Merchant Marine Act of 1936, laid the groundwork and the guidelines for overcoming the depression-days neglect of ocean commerce and for providing for long-range programs for the future. It is a matter of history that this remarkable measure, conceived during peacetime, in an era when we were still pulling ourselves up off the economic floor, served as a most timely and fortunate preparation for World War II.

THIRTY YEARS AGO WE CARRIED "ONLY" 35 PERCENT OF OUR CARGOES; TODAY WE CARRY 8 PERCENT

In those early days of the New Deal our domestic shipping and tanker fleets were reviving, but our liners were sick. Complaints were made at the time that we were then carrying, and I quote, "only about 35 to 40 percent of our waterborne commerce." Today, in contrast, we carry less than 8 percent. Yet at a time when our gross national product was less than \$90 billion, we embarked in 1936 on a program of building 50 modern cargo, passenger, and combination liners each year for a period of 10 years—interrupted, of course, by World War II and the crash program that by 1945 had produced the miracle of an average construction of about 1,000 large merchant ships per year over a period of 6 years.

ONLY 17 NEW SHIPS LAST YEAR, 13 THIS YEAR

However, compared to the 1936 objective of 50 subsidized ships a year, we constructed only 17 new American-flag vessels last year, and the target for the present fiscal year is only 13, and none of them are bulk carriers.

Meanwhile, the Soviet Union has been building ships at a fast pace and now has a fleet of 7 million tons, which is already in excess of our active fleet, with the expectation that by 1971 Russia's superiority over the American merchant marine will be 2 to 1. Furthermore, two-thirds of their ships are less than 10 years old, with 58 percent of their tankers being less than 5 years old.

AMERICAN FLAG AT SEA NOT A NATIONAL "LUXURY"

Mr. Chairman, we are now at a critical point of decision in our ocean shipping policies for the future, as we were in 1936, and there is no certainty which way we will go this time. In 1936 we made the right turn. But for some years now, we have been drifting in a calm in ship construction and in American-flag operation. Foreign ships have taken over not only most of our commercial cargo, but our passenger business too.

Those who may think that the American flag should—or has to—gradually disappear from the shipping lanes of the world, because it is perhaps an expensive luxury we cannot afford, have either forgotten, or are much to young to know about the recurring crises in recent history when defense needs suddenly made us dependent upon our own ships. I do not feel we should place the main reliance for so much of our vital commerce—vital to our survival—on foreign ships which owe us nothing whatsoever and whose owners are glad to have our business when it is convenient or profitable, but not when it entails any sacrifice.

The American people must decide and decide quickly that if we want an adequate merchant marine we must pay for it in subsidies. Otherwise our ocean strength will disappear, to be taken over by foreign countries.

FOREIGN-FLAG SHIPS REJECT OUR CARGOES TO SAIGON

When we increase our dependence upon foreign shipping for Government cargoes in peacetime, we later find ourselves confronted with the unhappy fact that we do not have the ships we need, and some of our fair-weather, foreign-flag carrier friends who were so glad to get Government cargoes suddenly pull the rug out from under us by saying, "Thank you very much, but we are not interested in taking any of your cargoes to Saigon right now"—as recently happened.

As a result, we have a lot of our best shipping tied up off Saigon, waiting to unload, and undergoing the most exasperating and maddening delays. There are good, fast ships as well as the "old rustbuckets" tied up for many weeks over there, and I wonder—and we want to know—what is happening on the commercial routes they were taken away from. Are we losing that business by default, possibly for good; and, if so, what do we do about it?

The CHAIRMAN. The time of the gentlewoman from Missouri has expired. (By unanimous consent, Mrs. SULLIVAN was allowed to proceed for 3 additional minutes.)

Mrs. SULLIVAN. We need ships. We need far more ships than we now have or

that we are presently planning to build. We need them under the American flag—for our defense commitments throughout the world, as well as for the needs of our commerce.

MERCHANT MARINE AGENCY NOW A SUBORDINATE PART OF COMMERCE DEPARTMENT

It would be an oversimplification to say that the only reason, or the main reason, our merchant marine is sick, is because it is under the jurisdiction of a subordinate agency of one of our major Departments of Government, which has many diverse interests. There are a great many reasons for this state of affairs—including, of course, a lack of awareness on the part of the public generally of the importance of the merchant marine to national strength and purpose.

But the fact that the maritime agency of the Federal Government is a subordinate agency of the Department of Commerce, with little status and no prestige in the bureaucratic "social register," certainly has been a major factor in its inability to make the problems of the industry visible to the American public.

If you ask the average American what he knows about—or thinks about—the American merchant marine, I think his answer would be that he thinks about it not at all and knows little about it other than the "fact" that it is a heavily subsidized industry eating out of the Federal tax trough and representing an expensive luxury maintained primarily for the jingoistic pride of having our flag on a lot of ships.

If that description were accurate, then certainly the House Committee on Merchant Marine and Fisheries would be deserving of censure by the House for our support of this supposedly unimportant and expensive national luxury. Actually, as I have tried to point out, the facts are much different from the common misconceptions about the merchant marine.

My point is, however, that since shortly after World War II, when the merchant marine was recognized for its valor, and its importance was understood, the Government agency now having jurisdiction over the merchant marine has been a rather obscure part of a large Government department. The bill to create a Department of Transportation would continue that status, but this time under a Department where it would be a pygmy among transportation giants—the pipelines, the railroads, the inland waterways and the trucks—a very small voice which would be lost in the noisy demands of our major domestic transportation interests.

STRONG SEPARATE INDEPENDENT AGENCY NEEDED

Our committee is convinced that the salvation for the American merchant marine lies in the establishment of a separate and independent entity to further our needs for adequate ocean transportation.

While there is considerable logic in combining domestic transportation agencies so that one man can balance their conflicting needs and interests for the benefit of everyone, there is neither logic nor necessity for including ocean transportation, which neither competes

with nor affects in any way the interests of our internal transport.

We need a merchant marine and we need a clear voice to express its requirements, and this we cannot obtain under this bill. It is for that reason that I believe that the interests of the United States demand the establishment of a separate and independent marine agency.

Mr. FINO. Mr. Chairman, I rise in support of the amendments.

(Mr. FINO asked and was given permission to revise and extend his remarks.)

Mr. WYATT. Mr. Chairman, will the gentleman yield?

Mr. FINO. I am glad to yield to the gentleman from Oregon.

(Mr. WYATT asked and was given permission to revise and extend his remarks.)

Mr. WYATT. Mr. Chairman, I rise in strong support of eliminating the Maritime Administration from the proposed Department of Transportation. The American merchant marine needs strengthening. It should be given strong, independent status. To add it as a part of a new Cabinet department would weaken the Maritime Administration. The confusion in getting the new department in full operation when added to the present lowly status of this organization means plainly that this operation will be hurt even further.

We should pass this amendment, create the new department without the Maritime Administration, and then we should face up to the task of giving real strength and muscle to the Maritime Administration as an independent agency.

Mr. FINO. Mr. Chairman, I rise in support of the amendment to take the Maritime Administration out of the proposed Transportation Department and set it up as a separate agency, as it was before the 1950 reorganization.

Now I am mindful of the need to pull transportation together under one roof in order to coordinate it, but I am also mindful of one exception that has already been made—mass transportation. As you know, mass transit—which relates largely to urban America—is under the jurisdiction of the Department of Housing and Urban Development. Since most of our population lives in the Nation's great metropolitan areas, and since most of our passenger miles are travelled in these areas, this removes one very crucial part of American transportation from the proposed department. Yet I agree with this. I think it is wise. Mass transit is more linked to urban development than it is to the freight cars of wheat that roll across the Dakotas or to the barges that ply the Ohio or Mississippi Rivers. So I think it is a good thing that mass transit is part of the subject matter of the Department of Housing and Urban Development.

Since this is the case, then it is a phony sacred cow to say that the Maritime Administration must be kept in the Department of Transportation so that all transportation will be regulated by one agency. This is simply not true. There is already a big jurisdictional gap.

That gap makes sense. So does the change involved in the proposed amendment.

Mr. Chairman, this administration has starved mass transit and it has starved our merchant marine. The two have that in common. Neither one merits administration concern because neither one is a vehicle for the social planners to plan something, and that is the only thing the Great Society spends its money on. Like mass transit, our merchant marine is vital to this Nation, and like mass transit, it has been a neglected stepchild of the administration.

I have read a number of magazine and newspaper articles on our merchant marine in recent months. What I have read shocks me. First, the Russians are building a huge merchant marine that threatens to outstrip ours. Secondly, we are killing our shipbuilding industry—the backbone of our merchant marine—by awarding too many contracts overseas. I recently read of a \$14 million contract to an English shipyard that was about to fold up. Thirdly—and most important—this administration does nothing to stop all this. It is too preoccupied with the Great Society's social planning.

I believe that an independent Maritime Administration will fight for our merchant marine in the way a subjugated maritime section of a transportation department never will.

My district includes City Island, a marine and shipbuilding center, and I know the people of City Island—they care about the sea and ships in a way the typical bureaucrat whose specialty might happen to be transportation never can. I want America's merchant marine under the jurisdiction of an agency which is preoccupied with the sea and ships, and cares about America's merchant marine as something more than statistics and colored lines on a sea-route map.

I urge support of this amendment to exclude the Maritime Administration from this bill which establishes a Department of Transportation.

Mr. CAHILL. Mr. Chairman, will the gentleman yield?

Mr. FINO. I yield to the gentleman from New Jersey.

Mr. CAHILL. Mr. Chairman, I would like to commend the gentleman from New York on his remarks and join with him in support of this amendment.

Having introduced legislation to establish a separate Federal Maritime Administration, I support wholeheartedly and enthusiastically the amendment of the gentleman from Maryland.

The Maritime Administration, in my judgment, lost its effectiveness 16 years ago when it was transferred to the Department of Commerce and relegated to subordinate status. Everyone is in agreement that our merchant marine fleet has deteriorated rapidly in these 16 years and now has gone from 1st to 6th place in international ratings and has gone from 6th to 14th place in ship construction since the date of that transfer.

I have repeatedly called to the attention of the House in a score of speeches the deterioration of our Navy ships and our merchant fleet and have pointed out repeatedly the danger to our national welfare in failing to recognize the great need for continued ship construction. At the very time when we should be building more and more ships, this administration is permitting well-established shipyards to fall into disuse and to close their doors because of lack of contracts. At the very same time that domestic shipyards are laying off skilled shipbuilders, the U.S. Navy is contracting to build ships in foreign yards.

Each World War has demonstrated dramatically the need for adequate shipping to provide our fighting forces with the material of war. Today at a time when America again faces grave danger and American boys are fighting in foreign lands, the national administration has completely neglected the shipbuilding industry of our country. One of the Nation's great shipbuilders, the New York Shipyard, of Camden, N.J., is about to close its doors because of lack of work. This shipyard has built some of the great fighting ships of American naval history and the merchant ships, including the *SS Savannah*, the first nuclear-powered ship, have been the product of the quality workmanship of the men of New York Shipyard.

The closing of several shipyards along the Delaware River, including the John Mathis Shipyard more than 100 years old, has been the result of the failure of the policy of the national administration. Repeated warnings by this speaker, and many others who have joined me in bringing the plight of shipbuilding in the United States to the attention of the White House and the executive departments of the Federal Government have had no effect whatsoever. Even today as we debate this bill, sufficient attention is lacking as far as shipbuilding is concerned.

Mr. Chairman, the establishment of the Federal Maritime Administration as a separate agency may not solve all of the problems of shipbuilding in the United States but there should be an improvement in conditions as they now exist.

I hope the House will overwhelmingly support the amendment offered by the gentleman from Maryland.

(Mr. CAHILL asked and was given permission to revise and extend his remarks.)

Mr. HALPERN. Mr. Chairman, will the gentleman yield?

Mr. FINO. I am glad to yield to the gentleman from New York [Mr. HALPERN].

(Mr. HALPERN asked and was granted permission to revise and extend his remarks.)

Mr. HALPERN. Mr. Chairman, I wish to commend the gentleman from New York [Mr. FINO] for his most constructive and enlightening remarks.

Mr. Chairman, I want to associate myself with those remarks and with the excellent arguments put forth today on this floor in behalf of this amendment.

The amendment before us, Mr. Chairman, is an excellent one, and I hope it will pass this House overwhelmingly.

Mr. FINO. I thank the gentleman from New York.

Mr. CASEY. Mr. Chairman, I rise in support of the amendment.

(Mr. CASEY asked and was given permission to revise and extend his remarks.)

Mr. CASEY. Mr. Chairman, for the past few days during the general debate, of course, in anticipation of this amendment there have been many arguments offered in advance in opposition to the amendment which has been offered by the distinguished gentleman from Maryland, the chairman of the Committee on Merchant Marine and Fisheries.

And, Mr. Chairman, mind you, I am very anxious to try to be of help to the administration in any of its plans for streamlining and making more efficient our Government.

But, Mr. Chairman, I have sat on the Committee on Merchant Marine and Fisheries and have worked with the distinguished members of the Merchant Marine and Fisheries Committee, on both sides of the aisle, for almost 8 years, before I recently changed committees.

Mr. Chairman, I have shared with them the problem that we have been going over.

Mr. Chairman, I listened to the very eloquent and very persuasive argument of the gentleman from Virginia [Mr. HARDY]. And, you know, Mr. Chairman, if one had not lived with this to some extent, the gentleman from Virginia would persuade one, because he is a very persuasive man.

It is true, Mr. Chairman, that the gentleman has a lot of water activity around Norfolk. But, primarily, that is military, as one must admit. I believe that the "little" Port Houston kind of outranks the Port of Norfolk a little bit in this matter.

Mr. HARDY. Mr. Chairman, will the gentleman yield?

Mr. CASEY. Of course, I yield to the gentleman from Virginia.

Mr. HARDY. Mr. Chairman, I do not have the statistics with me, but if the Port of Houston exceeds the total commercial shipping of the Port of Norfolk, I would be happy to know it. It would be surprising to me.

Mr. CASEY. That it exceeds your total shipping?

Mr. HARDY. Yes, commercial.

Mr. CASEY. Yes, the commercial shipping of the Port of Houston exceeds the shipping out of the Port of Norfolk which the gentleman from Virginia represents. I would remind the gentleman from Virginia that the Port of Houston is battling with the Port of Baltimore for second place right now. That statement illustrates the fact that the gentleman is not as well versed in this subject as the gentleman thought he was.

I am glad that the gentleman stuck his foot right in his mouth, because this just shows that the gentleman's argument is not as well founded as he thought it was.

Mr. HARDY. Mr. Chairman, will the gentleman yield further?

Mr. CASEY. If I have the time.

Mr. HARDY. Well, you go ahead and get through with what you have to say.

Mr. CASEY. Now, Mr. Chairman, the gentleman from Virginia said "if this is not transportation and belongs under transportation, I do not know what it is," or something similar to that. Now if merchant marine is not commerce, I will eat your hat.

Mr. Chairman, what have they done with our commerce under the merchant marine operations and under the Maritime Commission? They have let it dwindle down into a situation where it is ineffective as has been shown in statement after statement over the last few days.

Then, Mr. Chairman, they try and frighten you with statements to the effect that "If you cut the merchant marine out, you will leave it like it is now."

Mr. Chairman, we are trying to cut them out so that we can bring the gentleman from Maryland's bill up in a few days and make it an independent agency.

Mr. Chairman, we are never going to have a decent merchant marine until we rise up just like we are trying to do right now and support the distinguished gentleman from Maryland's amendment to create a separate agency.

Now, Mr. Chairman, I yield to the gentleman from Virginia [Mr. HARDY], if the gentleman has something else to say. The gentleman asked me to yield to him a few moments ago.

Mr. HARDY. Mr. Chairman, I can make another speech, if the gentleman from Texas has the time during which to do so.

Mr. CASEY. No, I am not yielding to the gentleman from Virginia for the purpose of making a speech. I thought the gentleman had a question. I thought perhaps the gentleman wanted to apologize for criticizing my great Port of Houston and for berating it.

Mr. HARDY. If the gentleman will yield further, I do not criticize the gentleman's port, and I applaud him for advertising it.

The point I wanted to make awhile ago, and I believe the gentleman from Texas will agree, that regardless of the outcome of this amendment that is now pending, I believe the controversy that has generated over the location of the Maritime Administration has been eminently good for the American merchant marine.

Mr. CASEY. Yes; the gentleman is right. I know the gentleman from Virginia [Mr. HARDY] is sincere in everything he has done and I know that the gentleman does have a great interest in the merchant marine and I further believe that the gentleman is doing what he thinks is best.

Mr. HARDY. If I might say so, regardless of what happens to this amendment or this bill, I think that there has been strong public consciousness developed about the problems of the American merchant marine and the need for strengthening it.

Mr. CASEY. That is right.

Mr. HARDY. Due to this discussion.

Mr. CASEY. I agree with you. So let us nail down the lid and adopt this gentleman's amendment.

Mr. HARDY. I would disagree with that.

Mr. CASEY. I thought you would. Let us adopt this gentleman's amendment now that we have stirred up interest. Let us not let it be buried in this new great agency. Let us make it a separate agency and give it the attention that it deserves.

Mr. BOW. Mr. Chairman, I move to strike out the last word.

(Mr. BOW asked and was given permission to revise and extend his remarks.)

Mr. BOW. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Maryland.

Most of the Members who have spoken on this matter speak from the communities of the maritime areas. I speak from inland America.

I think it is necessary that we develop a strong merchant marine. I think a strong merchant marine can be developed under the amendment offered by the gentleman from Maryland [Mr. GARMATZ].

I think it is necessary for all of us to realize that the flag must remain on the seas and we must have a proud merchant marine.

I might say to my colleagues from the midlands that in my own area there are many industries who supply the merchant marine. I was much distressed not long ago when I found they were talking about building ships abroad. This would be wrong. It would affect industry all over the United States.

I have also been delighted to have been able to serve with my distinguished chairman on the Subcommittee for State, Justice, and Commerce that makes the appropriations for the merchant marine, and to support him in holding up his good right arm in his efforts to strengthen our merchant marine. I would like to continue to do so.

I do not know of any place I could go that I could find a greater statement on what we should do in this matter than in looking in the inaugural addresses of one of our Presidents with reference to the merchant marine. I think there has only been one President who has ever spoken on the merchant marine. I should like to read what he had to say in an inaugural address, and I quote him:

Congress should give prompt attention to the restoration of our American merchant marine, once the pride of the seas in all the great ocean highways of commerce. To my mind, few more important subjects so imperatively demand its intelligent consideration. The United States has progressed with marvelous rapidity in every field of enterprise and endeavor until we have become foremost in nearly all the great lines of inland trade, commerce, and industry. Yet, while this is true, our American merchant marine has been steadily declining until it is now lower, both in the percentage of tonnage and the number of vessels employed, than it was prior to the War. Commendable progress has been made of late years in the upbuilding of the American Navy, but we must supplement these efforts by providing as a proper consort for it a merchant marine

amply sufficient for our own carrying trade to foreign countries. The question is one that appeals both to our business necessities and the patriotic aspirations of a great people.

This is from an inaugural address not by Franklin Delano Roosevelt, not by Harry Truman, not by John F. Kennedy, not by Lyndon Johnson but by a predecessor of mine in this House, William McKinley. I think it will surprise some of you to know that we had this kind of foresight even back in those Republican days.

I suggest to you that I think this is a fine statement that can be made just as firmly and significantly today as it was made in his inaugural address. I would urge my Republican friends as well as my friends on the other side of the aisle to support this amendment offered by the gentleman to make this an independent agency. Then we should support that independent agency. We should support the merchant marine of the United States so we may have pride in our flag on the seas.

It has dwindled and dwindled and dwindled to where we no longer have the great pride we once had.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman.

Mr. HOLIFIELD. I thank the gentleman for yielding. The gentleman is the ranking minority member I believe of the subcommittee that handles the maritime appropriations.

Mr. BOW. That is correct.

Mr. HOLIFIELD. Will the gentleman explain to the Members what the process of authorization and appropriation is for the merchant marine assistance?

Mr. BOW. They have come to us from the Department of Commerce, I might say, and I think the gentleman from New York [Mr. ROONEY] who is on the floor, will agree with me that we have always supplied all funds necessary for the merchant marine. We have seen to it that they have received what they wanted. But that is all done through the department that they are presently in and we have taken care of them. It seems to me if we have an independent agency, we might have a more realistic evaluation of the needs of the merchant marine.

Mr. DOWNING. Mr. Chairman, I rise in support of the amendment.

(Mr. DOWNING asked and was given permission to revise and extend his remarks.)

Mr. DOWNING. Mr. Chairman, and my colleagues, I favor this Department of Transportation bill, provided it does not include a Maritime Administration in it.

The debate on this subject has been full and it has been fair and it has been healthy, because for the first time within my memory, it has focused national attention on one of the problems facing our great country, and that is the lack of merchant marine. The fourth arm of our national defense is really the soft underbelly of our defense. So for that reason it has been healthy, and if the Members have listened, they have come up with two conclusions: One is that a

strong merchant marine is a necessity for this country; the other is that our merchant marine is dangerously ill now.

Something has got to be done, and something has got to be done soon. In my opinion, if we permit the Maritime Administration to be retained in this Department of Transportation bill, we will be unwittingly contributing further to the decline of the maritime industry. The needs of our industry have to be emphasized by an individual Federal agency which is set up for that specific purpose. The maritime needs cannot be met when the agency administering it is diffused with other agencies handling other modes of transportation and mostly domestic modes at that. We followed that trail once before, time and again before, and always with disastrous results.

In 1950, when Reorganization Plan No. 21 was put into effect, it transferred the maritime from an independent status and placed it in the Department of Commerce. At that time they said, "This is what your industry needs," and many people agreed. But look at what has happened. At that time we were carrying 40 percent of our own cargo. Two years later, after being under that Department, we were carrying only 22 percent. And what are we carrying now? Less than 9 percent.

In 1951, we had 3,500 merchant vessels on the seas. Now under the Department which was to do us so much good, we have only 900 vessels and 70 percent of these ships are overage and obsolete.

In the same period of time the United States has dropped from 1st to 14th in the shipbuilding family of nations.

We cannot continue this deplorable and dangerous situation. The Merchant Marine and Fisheries Committee—and these are the people who spend their lives devoted to this very subject and should be in a position to know something about it—has reported out a bill that would make the Maritime Administration an independent agency of the Government.

Within the shipping industry, management and labor alike have enthusiastically supported this bill.

Let me say something else about this bill. This is the Bonner bill that has been reported out by the Rules Committee, and it is basically the same bill introduced by the late beloved Herbert C. Bonner on October 16, 1965. With just 3 weeks to live, he stood at that stand right there and he said:

Gentlemen, I made a mistake in supporting Reorganization Plan No. 7. I offer you a bill which would set up the maritime agency in an independent Federal agency. That is the only way it can survive and grow.

Herbert C. Bonner, in 1965, made that statement, and this is his bill which we want to present to you next week or as soon as possible, provided you take this maritime section out of the Department of Transportation bill.

I do hope that you will vote with us to delete this section from the bill, and then I promise you we will bring you a real bill, a bill that will do what is necessary to give this country the merchant marine she so badly needs and deserves.

(Mr. ASHLEY asked and was given permission to revise and extend his remarks.)

Mr. ASHLEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield for a unanimous-consent request?

Mr. ASHLEY. I yield to the gentleman from California.

GENERAL LEAVE TO EXTEND

Mr. HOLIFIELD. Mr. Chairman, I ask unanimous consent that all Members may extend their remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman?

There was no objection.

Mr. BINGHAM. Mr. Chairman, I rise in support of H.R. 15963, to establish a Department of Transportation.

I believe that it makes sense to transfer to a new Cabinet-level department major transportation functions such as these of the Federal Aviation Agency, the Bureau of Public Roads, the Coast Guard and the Office of the Under Secretary of Commerce for Transportation.

However, I believe the public should recognize that the mere creation of such a new department is not going to produce in and of itself the solution to our many transportation problems.

We must also recognize that the new agency will not include some of the most important aspects of our national transportation system. I refer, in particular, to the gigantic problem of providing decent, reasonably priced and modern public transportation facilities within our great cities.

I recognize that there are those who feel that the problem of mass transit properly belongs within the jurisdiction of the Department of Housing and Urban Development. Those who hold to this point of view argue that urban transit is so closely related to city and metropolitan area planning, to problems of housing, slum clearance and urban renewal, and to other big city problems that it ought to be administered by HUD.

In my judgment, however, these arguments are outweighed by other considerations: the problem of public transportation within the cities should be administered by the same agency that administers the interstate highway program with its drastic impact on city planning, urban renewal, and so forth; the urban mass transportation systems of our cities probably carry more people more miles per year than all other forms of transportation put together, and should not be omitted from a new Department of Transportation. Most important of all, the same Department should have responsibility for the mass transit program and the Federal aid to highways program so that the amount of Federal funds going into these two programs can be brought into some kind of balance. For more than a year I have been urging that local governments should be given the option to have a portion of highway aid funds transferred to the improvement and development of mass transit facilities, and I believe this objective would be furthered by giving

the responsibility for both types of programs to the same agency.

I recognize that the sponsors of the bill before us intend that this question of where responsibility for mass transit should be located should be studied by the two Department heads concerned for a year before a final decision is made. They argue that to transfer responsibility for this program to the new Department of Transportation from HUD, shortly after HUD was given the responsibility, would slow down the program.

I feel, however, that the transfer to the new Department should be made and that, the sooner it is made, the easier it will be for all concerned.

After another year, HUD will be even more reluctant to part with the responsibility than it is today. Accordingly, I regret that the bill does not provide for an immediate transfer of responsibility for mass transportation to the new Department.

Mr. MCCARTHY. Mr. Chairman, I would like to address my remarks in support of the amendment offered by the gentleman from New York [Mr. ROSENTHAL] which would create within the Department of Transportation an Office of Aircraft Noise Control and Abatement. The problems of aircraft noise, in my judgment, have become a most acute social problem in the areas surrounding our cities. Something must be done to alleviate this problem.

The extent of the aircraft noise problem is documented by an enormous amount of evidence. It affects upwards of 15 million American citizens. The deafening drone of jet aircraft has added a new and blighting influence to our modern world: Noise pollution.

Little has been done to date by the Government to meet its responsibility in this very difficult area. For several years Congress has noted the increased need for aircraft noise abatement. In 1962 and 1963 extensive hearings were held by the House Committee on Interstate and Foreign Commerce. Only this year, however, did we receive a clear Presidential statement stressing the need for "a concerted effort to alleviate the problems of aircraft noise."

Infact, airport neighbors have been told that they had to learn to live with the problem and had to accommodate themselves to it in the interest of national defense.

At the present time, the Department of Commerce, the Federal Aviation Agency and the National Aeronautics and Space Administration have all made some efforts, albeit token efforts. But token efforts are not enough. While budgets have been incredibly low, past efforts have only really been in the areas of flight pattern planning. Yet, in light of a dire need for funds, and often lack of appropriation of any, when NASA submitted their budget request for 1966, they requested nothing for research and development in the field of aircraft noise abatement. And far worse, they refused to spend whatever funds Congress forced upon them.

Several months ago, after congressional prodding, the FAA established a noise abatement service. This same

group also serves as the interagency committee, made up of the Assistant Secretary of HUD, Commerce and NASA—only four people—assigned by FAA, to supervise the alleviation of aircraft noise abatement. Regardless of their qualifications of their positions, which are impressive indeed, they have neither the influence nor the resources to do the job of abating aircraft noise.

In short, there has been no effective spokesmen for the airport neighbors. The proposed amendment to establish an Office of Aircraft Noise Control and Abatement would provide a voice for these residents.

I strongly support the efforts of the gentlemen from New York [Messrs. ROSENTHAL, ADDABBO, TENZER, and WYNLER] and I think it is time Congress acts to protect the millions of residents affected by aircraft noise by establishing an office to speak for these people. We need a centralized office that will devote all of its efforts to the progressive silencing of aircraft over populated areas like Cheektowaga, Amherst, Clarence, and Lancaster.

Mr. SICKLES. Mr. Chairman, I rise in support of the amendment offered by our distinguished colleague, the gentleman from Maryland [Mr. GARMATZ]. He is doing an excellent job as chairman of the House Committee on Merchant Marine and Fisheries and an excellent job in trying to reestablish the U.S. merchant marine to its preeminent position in world commerce.

Except for the provision regarding the Maritime Administration, I strongly support the establishment of a Department of Transportation in all respects as proposed in the pending legislation. But it is obvious to me, and apparently to a good number of our colleagues, that the new Department should not have the responsibility of administering our merchant marine policy. The primary job of the new Department will necessarily be the coordination of all aspects of our domestic transportation. International shipping is a totally different matter and therefore should not be part of the same administrative unit. It would be neither practical nor wise to charge the new Department with responsibility for promoting our merchant marine.

We made a serious mistake in 1950 when we abolished the independent U.S. Maritime Commission and reestablished it as the Federal Maritime Administration within the Department of Commerce. Events since that time have proven that decision to be a poor one. In the past 17 years the merchant marine industry has been on a steady downhill course. The number of American merchant vessels has dropped from 3,500 to 1,000. The United States as a shipbuilding nation has dropped in rank from 1st place to 14th place. U.S. share of ocean transit has fallen from 42.6 percent to 8.8 percent.

The reason for the decline is that our merchant marine policy was being established and carried out within a department whose primary responsibilities had little relation to the problems of the merchant marine industry. The result

has been stagnation, policy failures, and confusion. We should not make the same mistake again. Instead, we should seize the opportunity to correct the mistake of 1950 and set forth on a positive, forward thinking policy that will restore our merchant marine to first rank. The adoption of the Garmatz amendment, which would remove the Maritime Administration from the proposed Department, is the first step in taking advantage of this opportunity.

Therefore, Mr. Chairman, I strongly urge our colleagues to support this amendment.

Mrs. KELLY. Mr. Chairman, all my life I have been interested in the sea. I was born in a town on the ocean. I helped achieve interest in oceanography because I know the importance of the sea. I lived near where the Germans brought a submarine on the shore and successfully landed spies.

As a Member of Congress and a Member of the Committee on Foreign Affairs of the House of Representatives I have seen the need for a strong merchant fleet. Our merchant fleet has been neglected. This cannot continue. We are a nation with two ocean boundaries. We have a state in the middle of the ocean—cut off recently by the air strike. For all these reasons, I believe a separate agency for a strong merchant fleet rests in the Garmatz amendment which I rise to support.

The problems of our domestic transportation are not confined to any one means. A change in rates or routing of goods moving by rail has an immediate affect upon trucks and waterways and any attempt to bring all of these problems into a single focus has a great deal of merit.

Not so, however, in the case of ocean transportation. Its problems are completely separate from those of domestic transportation and those who view them merely as an element in moving goods from inland points in the United States to points abroad are overlooking some of the major problems that exist.

At the outset it should be noted that because of the high standard of living maintained in the United States, our merchant marine cannot compete with that of any other country and that by reason of this fact various forms of subsidy have been resorted to to enable its continuance for our benefit.

Support of our merchant marine inures not only to the benefit of its employees and those who use its facilities, but extends to all of us in the country. Not only does it contribute materially to a less unfavorable balance-of-payments, but it also is a most important element in our defense posture.

Most of us are familiar with the fact that an attempt to use foreign-flag vessels to transport goods to southeast Asia was unsuccessful when the crews of the chartered vessels refused to sail them. No such situation has or can arise in the American merchant marine, thus insuring that our commitments throughout the world can be met successfully.

In addition, an appreciable portion of our exports are carried in our own vessels and the very existence of these vessels

assure that rates for such transportation will be consistent with the services rendered.

The United States is dependent to a surprising extent upon its exports not only to supply aid to less fortunate countries throughout the world, but to assure the continued success of many of our manufacturers. If there were no American merchant marine, both of these aspects of our life would be jeopardized.

I do not for a minute mean to say that I anticipate total neglect of the needs of the merchant marine in the proposed new Department, but I do mean to say that our merchant marine casts a very small shadow among the giants of the air, rail, and road engaged in moving goods and passengers throughout our country. I feel that its interests would be neglected not through any intent but through the very volume of activity required to protect our domestic transportation systems.

We who have been overseeing its activities over the years realize that while relatively small, its importance to the welfare of our Nation is all out of proportion to its size, and therefore, I feel greatly concerned lest its needs be lost among those of the other transportation agencies in the new Department and for this reason I urge my colleagues to support the amendment of the gentleman from Maryland, the Honorable EDWARD GARMATZ, which removes the Maritime Agency from the control of the Transportation Act.

Mr. CLEVENGER. Mr. Chairman, to those of us who have been concerned over the condition of our American merchant marine for a number of years, the attempt to place it in a catch-all department—on the theory that it must be like all other forms of transportation since it is designed to move goods and passengers—constitutes an extreme oversimplification of its situation.

Merely because a container of goods may move from Chicago to London by means of truck, rail, and ship does not indicate in any way that the problems of such transportation are the same in each case.

There appears to be a considerable degree of logic in placing domestic transportation—which essentially is interrelated and competitive—in a single agency where its problems can be considered as a whole. But to attempt to combine with it a totally unrelated industry does not have the merit of any logic. The American merchant marine is an instrument of national policy in its relation to our perennial balance-of-payments problems.

It is an instrument of national defense in that it is essential for the movement of troops and supplies to areas of our involvement throughout the world and it is an instrument of commerce in the carriage of our goods and in its function as a means of assuring reasonable rates to our exporters.

Our merchant marine is involved not only in continuous competition with other maritime nations but it is required to evolve a relationship with them and their governments for the orderly arrangements to maintain rates and terms

of carriage for the protection of our overseas trade.

In none of these fields does its activities impinge in any respect upon our domestic transportation situation and knowledge of and promotion of its activities requires a degree of specialized knowledge not likely to be found among experts in domestic ratemaking or control over routing.

Further evidence of its unique position is found in the fact that it is one of the few activities that are afforded immunity from our antitrust laws, which immunity is required because of the international aspects of its activities.

I greatly fear that if the attempt persists to combine this unique field with that of our domestic transportation, that it will suffer greatly in the process and that its decline will adversely affect not only the industry with its thousands of employees, but our defense and foreign aid activities, as well as our general relationship with foreign nations.

Mr. CLARK. Mr. Chairman, although I introduced a bill making the merchant marine a separate agency I feel at this time that the administration is well aware of the problems of our depleting fleet and will definitely take care of the situation under this transportation bill. I feel they should be given this opportunity. I will, therefore, support the transportation bill as it is today. If this bill does not do the job I will reintroduce my bill next session. I feel very strongly that the transportation bill will do the job.

We Americans have been trying to solve the question of what to do about our merchant fleet since the days of the Spanish-American War when we got caught short and had to buy or charter foreign ships to meet our needs.

About the only time we have faced up to this question has been in time of war. And miraculously, each time—World War I and II, the Korean conflict and now Vietnam—our merchant sailors and their vessels have seen us through.

Once peace has been achieved, however, we have lost our sense of urgency, have permitted the fleet to dwindle, to become slow and obsolete.

The story is being rewritten once more and that is why the subject of a separate and independent agency looking after the interest of the merchant marine is before us once again.

It is small wonder that this has become such a burning issue when you look at a few of the hard facts.

At the end of World War II, the United States was far and away the foremost shipping power in the world. Today, we have lost that position.

We have had a ship subsidy program in operation for some years designed to update and modernize our fleet. We have been spending something like \$100 million a year on this program, and have been getting maybe 13 new ships a year out of it.

While we have been building ships at this slow pace to replace old ones, the fleet keeps getting older and older. About half the subsidized fleet is modern and up to date today, the other half fast becoming obsolete. In short, we are not

keeping-up. We are not doing the job. We are lacking in bulk carriers and we do not have any program at all for replacing the all-important tramp fleet.

In spite of all this, I note the subsidy program this year is down to around \$85 million instead of \$100 million, but even if it were up to what it has been, we probably would not get as many ships as in the past—because today's ships have to be bigger, more powerful and speedier, and that makes them cost more.

I could go on at great length, reciting the sad performance of this and past administrations in this field. But suffice it to say that the Russians, our chief adversary in the current cold economic war, plan to have a merchant fleet which can carry 75 percent of their export trade by the end of this year. Our merchant fleet today carries about 9 percent of our total export cargo. Twenty years ago, it carried 65 percent.

Because I am so concerned with this problem, I am for anything that looks like a new approach. But making the Maritime Administration an independent agency, I have concluded, does not seem to offer anything new at all.

The administration of maritime problems and policies has already undergone rather extensive shuffling in our Government in the past 50 years.

Created first as the Shipping Board, it later became part of the Department of Commerce. Then it became an independent agency. Then it got split in two and came back into the Department of Commerce once again, this time as the Maritime Administration.

It had, in fact, about a 14-year trial as an independent agency—from 1936 to 1950 when it came back into Commerce—and we are hardly any better off than we were before.

Independence, I suggest, is not the answer to our maritime riddle. Cooperation, or coordination, or teamwork, I suggest, is. Let us not overlook the lesson we have been learning in Vietnam. We have vastly increased the volume of cargo moving to our troops there in the past year—but not alone by increasing the number of ships. The real key has been the construction of new port facilities and an improvement in the land transport system.

This has reduced port congestion—has enabled our ships to do a better job in carrying cargo—and at a lower cost.

This is a classic example of all modes of transport performing their task more effectively because the supply system is more balanced and the planning is better coordinated.

I submit that our maritime problems in the world marketplaces require a similar approach.

At present, the United States is attempting to compete for cargo with essentially the same equipment and methods of operation as its competitors. As our wage costs are much higher, our merchant marine requires government aid to remain viable and profitable to the earners under these conditions.

The advances in general cargo handling, ship size and speed, and containerization offer a way to increase the competitive stance of U.S. merchant ships. The lessons of the Vietnam experience

say that these improvements at sea can reach their full potential only in coordination with related changes in the ports and in land transportation.

And this, it seems to me, is what the idea behind a Department of Transportation is all about.

When you stop and look at the whole problem, it just does not make any sense to cut the Maritime Administration off all by itself and at the same time create a Department of Transportation in the hope of achieving a systems approach to all transportation problems.

To do so, is like cutting off your foot to get rid of a sore toe.

The inclusion of the Maritime Administration in a Department of Transportation, on the other hand, may give us the kind of new approach to this problem that all of us are seeking.

It would immediately place the issue in a new atmosphere—and that might well be the most important facet in the whole picture.

The idea behind the Department of Transportation proposal is a systems approach to the problem of moving people and goods. We all know the challenge we face here—demand for transportation facilities will double every 20 years at our current rate of economic growth.

To meet this challenge, everyone agrees we have to do a better job of coordinating and integrating present transportation modes—a systems approach, in other words.

The most important development in the transportation world today is containerization. There have been some real important breakthroughs in this field in recent years and months—agreement has been reached internationally on size and shape and fittings of containers; private rail and truck lines have worked out arrangements to make this service available on a coast-to-coast basis in the United States for the first time. And our Government has been engaged in a pilot operation with Great Britain, moving containerized cargo from inland ports here to inland ports in England, ironing out the kinks in this modern, through system of transport that we will have to have to remain competitive in the future.

It is difficult for me to see how an independent maritime agency could do a better job of developing containerization than could be done under a departmental approach with all the modes represented. For these containers will be moving by rail, by truck, and by barge to our ocean-going ports. This would seem to call for an all-encompassing approach rather than a parochial one.

The same is true when any agency like maritime tries to get its teeth into any problem that cuts across established jurisdictional or administrative lines. The first thing they do is set up an inter-agency task force or working party in order to get organized to try to get things done. A Department of Transportation would provide a built-in solution to this dilemma.

Likewise, maritime's potential for effective support in matters before our regulatory agencies would be considerably enhanced by the development of an intermodal approach which would be

possible through a Department of Transportation.

In the international field, where maritime affairs are of extreme importance, the merchant fleet would have a voice at the highest levels of government though a Secretary of Transportation. And this would put us on a par with the Ministers of Transportation who represent most foreign governments around the world.

Another, and perhaps the most important advantage that would accrue from having maritime in a departmental setup is in the realm of research and development.

Today, we are spending something like the munificent sum of \$6 or \$7 million a year on maritime research, and I do not think you will get an argument anywhere if you contend that this is not enough.

It is in the field of research and development, however, that I see a Department of Transportation making its greatest contribution. For these rapidly developing technologies of today cut across all lines.

Take the idea of the air bearing, for example. When these are used on land, they are called ground effects machines. To the seagoing fraternity, they are known as surface effects ships.

These vessels, when perfected, will skim over the water on bubbles of air at speeds of around 100 knots. At times, they actually will lift out of the water and fly at low altitudes.

They will be, in fact, half ship and half plane.

Where would we fit them administratively? In maritime? Or in the Federal Aviation Agency? Or maybe the Navy?

They belong in an overall Department of Transportation, and so does the whole Maritime Administration.

Mr. HENDERSON. Mr. Chairman, section 9 of the bill would authorize retired officers of the Coast Guard to be appointed to any position in the new Department of Transportation.

My amendment would insure that such appointments would be subject to all applicable civil service laws; especially the Classification Act of 1949 and the Dual Compensation Act of 1964.

The language of the committee report indicated this to be the intent of the committee which reported the bill, and while my amendment is admittedly technical in nature, it removes any doubt or question as to the applicability of the above provisions to this legislation.

I wish to thank the chairman and the ranking minority member of the committee for their acceptance and support of my amendment.

Mr. ADDABBO. Mr. Chairman, I rise in support of the amendment offered by my colleague, the gentleman from Maryland [Mr. GARMATZ].

It seems that everyone agrees that the American merchant marine is inadequate, but what are we doing about it? I have recently read the article by Robert Angus entitled "The U.S. Wartime Shipping Sickness" which appeared in the American Legion magazine July, 1966, and, if you have not read it, I commend it to your attention. It seems that "experience is the best teacher" has not applied in the case of our merchant marine.

The lessons which we should have learned from the crises which faced us as the onset of World War I and II were quickly forgotten. Today the United States ranks sixth as a maritime power—this is a disgrace.

I believe that the low to which we have sunk is due in large part to the burying of maritime problems in an agency which is more involved in what it considers more important matters. The importance of the merchant marine is such that the responsibility for it must be placed in an independent agency charged with the authority to bring it up to what should be expected of a nation as strong as ours is in most other fields. We certainly must not make the mistake of taking it from one department and burying it in another where it will continue to compete with conflicting and competing interests.

All of us deplore the situation when we read of supplies for Vietnam waiting on docks and in warehouses to be loaded for shipment or ships waiting to be unloaded off the coast of South Vietnam. We must take positive action and quickly to correct this situation and keep us in a position where this cannot happen again. In my opinion, we cannot accomplish the necessary upgrading of the American merchant marine by burying it in the Department of Transportation.

We have the ability to rank No. 1 as a maritime power, the position we should hold, but we will not reach that position unless we give proper attention to our merchant marine. I am convinced that the only way that this will come about is through an independent Maritime Administration. I urge my colleagues to support this amendment to delete the Federal Maritime Administration from the bill before us. Then let us move on to consideration of H.R. 11696, now pending on the Union Calendar.

Mr. GROVER. Mr. Chairman, I have been privileged to serve on the Merchant Marine and Fisheries Committee these past 4 years.

Week after week and month after month we have heard the distress signal of the maritime industry. Intensive and extensive hearings were held over these years by our committee, and constantly we prodded the administration to come up with a viable, new, aggressive maritime program.

Our awareness of the problem—our awareness of the crash program of the Russian maritime—our deep concern that time was, and still is, running out, was transmitted to the Maritime Administrator and the President.

But nothing was done, except the promise in the state of the Union message that we would indeed have a new and forward looking maritime policy.

Promises however, do not save a sinking ship nor rehabilitate a fleet of "rust buckets."

I am happy to support the position of the gentleman from Maryland [Mr. GARMAN] and to compliment him for his great work in bringing home to the American public the seriousness of the situation and the need for an independent merchant marine.

Mr. GILBERT. Mr. Chairman, the legislation which would include the Maritime Administration in a Department of Transportation contains a serious flaw, in that it would keep the maritime concerns of this Nation at least as far in the background as they are at present.

The fact is that all of us, as Americans, must now be vitally concerned by the state to which we have allowed our merchant marine to fall.

While the Soviet Union and other of our foreign rivals have been building up their merchant fleets with speed, we have allowed our merchant marine to decline to a point where we can no longer call ourselves a maritime power in any sense of the word.

Congress must act, and act promptly, to reverse the trend of the past years. But it is not enough for the Congress to be aware of this need. All of the American people must be aware of it, too, and must support the rebuilding of our merchant fleet.

Creating a separate and independent Maritime Administration to deal only with the maritime industry would serve to focus greater public attention on our maritime needs, and on the ultimate objective of revitalizing the industry and enabling the United States to meet its foreign commerce and defense requirements in line with the policy set forth in the Merchant Marine Act of 1936.

Submerging the maritime industry in the Department of Transportation would have the opposite effect.

We must keep the Maritime Administration out of the Department of Transportation and reestablish it as a separate and independent body.

Mr. BATES. Mr. Chairman, as we consider the Department of Transportation Act, the neglect of the U.S. merchant marine comes into focus ever more startlingly.

The war in Vietnam is heavily taxing both our privately owned and Government-owned sea transport vessels, and we find that less than 9 percent of American trade is now being carried on American-flag ships compared to 40 percent 17 years ago. Whereas we were bucking Great Britain for first place as a maritime nation in 1950, we see the United States now fourth among the maritime powers.

Something must be done, and done as expeditiously as possible. Our Government either must materially step up its financial help for new ships to be operated by private companies, or it must drastically expand the Navy's transport fleet. Maybe there must be some of each, but I think it is vitally in the national interest to build up and strengthen our merchant marine—fourth-rate is not good enough for the United States if we hope to hold our own in the world.

In this regard, I was greatly impressed by a feature article in the New York News this past Sunday. It further brings home the need for strengthening the hand of the Federal Maritime Administration and not allowing the merchant arm of our maritime power to slide farther down the list.

This article is as follows:

[From the New York (N.Y.) News, Aug. 28, 1966]

OUR SINKING MERCHANT MARINE: SINCE WORLD WAR II WE HAVE SLUMPED FROM SECOND PLACE TO FOURTH AS THE RUNAWAY FLAGS TAKE A MOUNTING TOLL OF OUR TONNAGE

(By William Rice)

Back in the 1950s, the United States was a real threat to the supremacy of Britain's merchant marine. Today, we aren't even the second-rate maritime power we were then. Or third. We're fourth.

From the port of New York, this decline has exacted a painful toll of business and jobs.

To the U.S., it poses a serious national security risk. If there should be much more of an escalation in the Viet Nam conflict—or if we should undertake another far-off brush war—we would have to turn to the trading fleets of our allies to move our troops and supplies.

And if you ask what allies, this grim picture grows even darker.

England, our comrade-in-arms for two world wars, has troubles of her own. During this summer, Britain slipped from its traditional top spot to No. 2 among the ocean-commerce nations of the world. And she suffered a long, hard seamen's strike which—along with general economic infirmities—could drag her down still further.

Third-ranking Norway was coldly neutral at the start of World War II, although it wound up diverting almost all of its merchant marine to the Allies. The Nazi invasion of their homeland prompted that gesture by the Norwegians. What they could be counted on for in a new world upheaval remains problematical.

Japan is No. 5 and still coming on strong. That country could be a powerful wartime ally. Right now, it's a powerful peacetime competitor.

And who's No. 1? A country which 20 years ago had almost no merchant marine: Liberia.

By running ships with underpaid crews and tax-pampered operators, that small nation on the west coast of Africa now counts 28 million tons of shipping capacity under its flag, compared with 26 million tons for Britain and 14 million for the U.S.

"Under its flag" is the key phrase to that comparison. These ships need not be owned or operated by Liberians. They are merely registered in Liberia under that nation's easy-on-the-owners regulations. They are the runaway flags; many of them formerly ours.

The plight of the American merchant marine emerged only too clearly at the recent Washington emergency meeting of the American Committee to Save Our Shipping. The session marked the 30th anniversary of Congress' passage of the Merchant Marine Act, a landmark law which theoretically insured that Columbia would, indeed, remain the gem of the ocean.

That bit of irony was not wasted on representatives of both the maritime industry and leaders of its labor forces, two groups which normally don't see eye to eye. They were in complete agreement that there was nothing to celebrate, that the federal government must take immediate action to save the merchant fleet.

These statistics bear out their fears:

While the world fleet has increased by 61% in number during the last 15 years, America's privately owned fleet has decreased by 24.5%.

While the world fleet has increased by 141% in deadweight in that time, the U.S. fleet has decreased by 4.4%.

In 1950, more than 40% of America's foreign trade was carried on American ships. Last year, the U.S. fleet handled less than 9% of that trade.

The Seafarers International Union asserted that coastwise and intercoastal shipping has virtually disappeared, tramp ships face extinction, independent tankers must struggle for survival, and the bulk cargo fleet is outrageously inadequate for the carrying of vital U.S. supplies.

What's being done about it?

For one thing, we built and now sail the Savannah, first and only atomic-powered merchantman in the world. But this vessel was intended more for science and prestige than for profits.

And during the past half dozen years we have done a lot on the automation of freighters. The "but" in this case is that Japan has done a lot more and that nation is by far the leading shipbuilder of the world.

One bright spot is containerization, an efficiency process in which containers the size of a truck load are packed by the manufacturer, shipped as a unit by land and sea, and not opened until they reach the customer. The U.S. is tops in this.

Another encouraging development is an accelerated training program undertaken by the unions and the shippers to upgrade crewmen. This has resulted in the promotion of hundreds of seamen in the past few months.

Still, we're just holding our own—if that. And there are calls for decisive action, the most drastic and current one coming just last week from Rep. WILLIAM T. CAHILL (R-N.J.), who numbers the Maritime Administration's woes from the day it was transferred to the Commerce Department 61 years ago. He believes the Maritime Administration should be an independent agency.

There is also an "independence" bill pending in the Senate.

No matter how these measures wind up, what our merchant marine really wants is more government money, a source of supply which it has relied on since the subsidies were first authorized by the Merchant Marine Act of 1936.

Since the subsidies began, more than \$2 billion has been given to shipping lines servicing regular trade routes and carrying essential cargoes. About one-quarter of the money was used to underwrite construction to replace obsolete ships. The remainder was used for operating subsidies, mostly for wages.

The Maritime Administration's request for the 1967 fiscal year totals \$289,395,000—and is the lowest submitted in seven years.

This year's request calls for only \$85 million for ship construction, compared with the more than \$132 million for the 1965-66 fiscal year. Augmented by \$15 million more to be made available through juggling of book-keeping, it will pay for 13 cargo ships under the fleet replacement program.

Ralph E. Casey, president of the American Merchant Marine Institute, which has a membership of 45 shipping lines operating about two-thirds of the nation's merchant marine, points out that as far back as three years ago Russia was building two merchant ships a week. The Soviets' construction is at least as formidable now, he said, adding:

"Our leaders in Washington, in spite of a great maritime past and a bitter lesson in two world wars, seem unable to grasp the true value and the proper use of a strong merchant fleet."

If the situation is as bleak as the AMMI paints it, how are we able to supply our Viet Nam forces at all? Principally by dipping into our mothball fleet. This reserve fleet—as the government prefers to call it—consists of 1,400 old merchant vessels, almost all of them World War II jobs. A tenth of them have been placed back in service to support the Viet effort, and it would seem, at first glance, that we still have a comfortable margin of reserve safety.

Not so, warns the AMMI. Over 700 of those mothballed freighters are Liberty ships. "It is significant to note," says the industry group, "that the military no longer consider

the Liberty ship suitable for present day military operations. This wipes out over half of our reserve fleet capability. Within the next several years, the entire reserve fleet can be considered only for its scrap value, due to age and obsolescence."

UNIONS HIT FEDERAL PLAN

Joseph Curran, president of the National Maritime Union which represents 35,000 men on 550 of the nation's deep sea ships, views the future similarly.

"We are engaged in a tough military situation across the Pacific," he declared, "and even though Viet Nam is not a full-scale emergency action, we are suffering from a critical shortage of ships, shortages of skilled seamen and shipyard workers and the authorities have no plans for meeting the needs of the situation."

"The Defense Department and Maritime Administration are frantically digging old slow ships out of the laid-up fleet and reconditioning them at great cost to meet the urgent need in what is actually only a brush fire war at this time."

The NMU has joined other maritime unions to head off what they declared is a government-authorized attempt to use foreign-flag ships by U.S. companies for servicing essential trade routes.

A spokesman declared that the Commerce Department, under which the Maritime Administration functions, is ready "to give the green light to subsidized companies to charter foreign vessels for their regular runs, replacing ships the companies have diverted to the Viet Nam run."

"The law prohibits this except in 'extreme circumstances,'" he said. "The main 'extreme circumstance' involved at this time seems to be the Defense Department's decision not to take any more U.S. vessels out of mothballs—to save the cost of reconditioning them."

Casey and his institute agree, to a point. He said the government is reluctant to pull the World War II Victory ships from the mothball fleet. Originally, he explained, it was thought that reconditioning of each vessel would cost about \$200,000. It proved to be about twice that.

REJUVENATION PROGRAM

The institute, to rejuvenate the merchant fleet, has proposed a program which includes that "American ship owners should have the right to construct, reconstruct and repair vessels at home or abroad, and thereafter to operate them under the American flag (without payment of duty) for all purposes, in all trades, and with all the rights and privileges accorded vessels built in this country."

Under the subsidy and preferential cargo rules, this is not allowed, and the unions say this is the way it should be. Casey sees no other way out.

"The military," he declared, "is constantly demanding more vessels, and all of our ships are working on the commercial trade routes. We've got to get ships somewhere."

"We want the ships built here. American craftsmanship can't be topped. We'll fight for enough subsidy money for sufficient ships. But if the government won't spend the money, it leaves us no alternative."

The same seems to be the case for the use of foreign-flag ships, which fall under two categories: Those operated and owned by foreign investment and governments and those which operate under "flags of convenience"—American owned but sailing under other flags, primarily Panamanian and Liberian, to escape U.S. costs and to be manned by low-priced foreign crews.

Unions charge that these ships also escape the stringent U.S. safety rules and point to the recent disaster aboard the cruise ship *Yarmouth Castle*, in which 90 died. She was owned by a Canadian, used U.S. ports, carried American passengers and sailed under the Panamanian flag. Shipping repre-

sentatives say this shoestring type of operation is the exception.

The Defense Department, in efforts to play down the crisis facing the U.S. merchant marine, lists the American-owned vessels under flags of convenience as within U.S. "effective control." More than 400 vessels are so viewed.

Additionally, the government has attempted to use foreign-owned and operated ships to carry essential cargoes to the war zone. This, at time, has run into serious snags.

Curran said his union has "warned that our country could not place reliance on the merchant ships of our allies because allies will consider their own interests first."

BALKED AT VIETNAM RUN

"With few exceptions," he said, "they are still allowing their ships to trade with North Viet Nam as they have done with Red China, Cuba and the Iron Curtain countries, regardless of how this might conflict with American interests and objectives. The owners of those ships have been making money out of both sides of the cold and hot war."

"But when the Defense Department tried to use foreign ships to carry military supplies to Viet Nam for our fighting forces they encountered all kinds of difficulties."

"In some cases the 'friendly' foreign governments would not let their ships make the voyage, claiming they wanted to remain 'neutral.' In others the crews of foreign ships refused to sail, refusing to 'aid imperialist aggression.'"

"We certainly cannot rely on the exploited crews who man the American-owned runaway flag, so-called 'effective control' ships, who are picked up anywhere in the world, including Hong Kong, without any security precautions that mean anything."

"The Viet Nam situation has proven the fallacy of the 'effective control' theory."

As for the AMMI's proposal to build American ships overseas to beat the high labor costs here, an NMU spokesman said this is just allowing them to put "the foot in the door."

"American lines would just be building up yards that would also be available to our enemies," he said. "The next step would be, 'Why sail them under the American flag? Why not run them under a foreign flag?'"

"Our need is for a strong merchant marine, for peacetime and in war. We not only need to build our own ships here, but in times of emergency we must be capable of building ships for our allies."

What is the answer? It already may lie on President Johnson's desk. Before him are two reports: the Interagency Maritime Task Force study and the President's Maritime Advisory Committee report.

The advisory committee was established with industry, labor and public representation to cope with the officer union's strike last summer and has continued in existence to deal with over-all maritime problems. The task force was appointed later by President Johnson and consists of government executives.

According to the task force's proposals, the merchant marine would consist of slightly more than 800 ships by 1985. They would only carry about 8% of the nation's waterborne foreign trade.

The maritime committee plans for a merchant marine numbering more than 1,100 ships which, by 1985, would carry about 30% of the nation's foreign cargoes. The task force's fleet would employ about 15,000 seamen; the maritime group's ships would be manned by about 27,000.

FATE OF THE SUBSIDIES

Under the group's plans, federal spending for shipping of government sponsored cargoes would end as early as 1975. They would still amount to \$12 million a year at

that time under the force's study but would probably end by 1985.

According to an analysis sponsored by a management-labor research group, total U.S. fleet production would increase sixfold over this year's tonnage levels under the maritime group, but this is only 80% under the task force plan.

Many in the industry, both labor and management, believe that the task force report, if adopted, will mean the death of the merchant fleet. They declare, on the other hand, that the advisory group's recommendations may breathe new life into the fleet.

This is the way Curran sums up the two reports:

"The task force recommends greater reliance on foreign flag ships, including continuation of the 'effective control' policy. It also calls for further weakening of the protection now given in the law—but not adequately enforced—for American flag ships and shipyards. The task force report means acceptance by this country of a position of sixth or seventh rate maritime power . . .

PROGRAM CALLED POSITIVE

"The advisory committee program is positive. It points to our country's merchant marine regaining the strength which it must have to serve the needs of our country. It outlines how this can be done effectively and efficiently, with the country's needs always the first consideration, and it leaves no questions about our country's ability to achieve these goals."

Labor representatives and ship owners have made their recommendations. The entire problem has been studied and restudied on Presidential, Congressional and independent agency levels. But recommendations and studies do not build ships.

All concerned agree that something must be done, and quickly, to save the merchant fleet.

What?

The choice is the President's.

Mr. ASHLEY. Mr. Chairman, it is not often that I take the floor to oppose a proposition that is supported by maritime labor and maritime management, and I can assure the Members that I do so on this occasion only because I am honestly convinced that the best interests of our American merchant marine are better served by having our Maritime Administration included in the Department of Transportation as proposed by President Johnson.

Mr. Chairman, because I have taken this position, which is an honest position—perhaps wrong, perhaps right, but at least honest—I have been singled out with two other Members of this body, for political extinction by one of the most influential leaders of organized labor. If this were not so patently arrogant, I would be constrained to laugh, Mr. Chairman, because it was only 2 years ago that my Republican opponent made the point, day in and day out during the campaign, that Congressman ASHLEY was one of the few Members of Congress to have a 100 percent right-for-labor voting record. But, because I have taken this position—the same position as the gentleman from Virginia [Mr. HARDY] and others—I find myself first on the list, and I would say to the gentleman from California that I am sure the reason I am first, and not he, is only because my name begins with "A" and his name begins with "H".

Mr. Chairman, this is a proposition on which honest minds can disagree. I can understand the view of those who say there is something unique about our maritime activity and that it should not be considered with our domestic forms of transportation. I can understand it. I do not believe it. I do not agree with it. If we are going to have a coordinated system of transportation, there must be included in this Department of Transportation the maritime industry as well as railroads, aviation and the others.

I would predict this, Mr. Chairman: If, as is likely will happen, the merchant marine is stricken from the bill, I seriously question whether we will see enacted into law a separate Maritime Administration. This will mean that the merchant marine will stay where it is, an admitted stepchild in the Department of Commerce.

I would predict this further, Mr. Chairman: That it will be just a short time, as time is counted, before the very proponents, who now insist on a separate Maritime Administration, will be getting in touch with each and every Member of this body urging that the merchant marine be included in the Department of Transportation.

It will be just a matter of time, and it will not be long.

Mr. FARBSTEN. Mr. Chairman, I move to strike the requisite number of words.

(Mr. FARBSTEN asked and was given permission to revise and extend his remarks.)

Mr. FARBSTEN. Mr. Chairman, I favor a separate and independent agency for the merchant marine because in my district in lower Manhattan along the waterfront reside those men who go down to the sea in ships.

The National Maritime Union has its office in my district. So does the International Longshoremen's Union have its office in my district.

I am not alone interested in ships. I am interested in men. I am interested in jobs.

The only way the people who live in my district—who, as I said a moment ago, go down to the sea in ships—can get those jobs is by having an effective merchant marine.

When something goes wrong one seeks to correct it. I do not contend that the Department of Transportation would be, any more than the Department of Commerce was, a mere facade for the merchant marine.

The Department of Commerce has been unsuccessful in maintaining a healthy merchant marine, so we have to try something else.

I fear that the new Department of Transportation, in all likelihood, would react the same way the Department of Commerce did. There is no reason why it should do any differently. I believe that the head of the Department of Commerce sincerely sought to assist the merchant marine, but he was unsuccessful. Why should we believe that a new department which incorporates this agency would do any differently.

We have an antipoverty program. Why do we insist upon making our people lose their jobs and go on relief and welfare, when they can have jobs? Why do we insist upon developing foreign shipping when we should develop our own?

I say that in my opinion, at least, the only way the people in my district who work the ships of the merchant marine who are today on relief can go back to work is to have an independent agency on the merchant marine, because a successful merchant marine will be the sole and individual interest of that agency.

New York at one time was first in shipping, both passenger and merchant marine. Where it is today I do not know. All I know is that my constituents are regularly losing their jobs.

I believe sincerely the only way these people can be made whole is by an independent agency.

There is not much more I can say. I plead with you ladies and gentlemen on both sides of the aisle.

Mr. BYRNE of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. FARBSTEN. I yield to the gentleman from Pennsylvania.

Mr. BYRNE of Pennsylvania. I rise in support of the amendments, and I urge all the Members to support the amendments.

The port of Philadelphia, which I represent in Philadelphia, contrary to the statements of the two gentlemen—one from Texas and one from Virginia—is first in tonnage and second in receipts.

I urge support of the amendments, because I am a firm believer in having more ships built in American shipyards by Americans.

Since the end of World War II the American merchant marine has been steadily shrinking in size, strength, and prestige.

At the end of World War II we had nearly 5,000 ships in our merchant fleet, and during the early postwar years we were carrying 40 percent of our foreign waterborne commerce.

Today we have only 900 active ships, mostly obsolete, and are carrying only 8 percent of our foreign commerce.

There is no doubt but what this decline of our merchant fleet has been largely due to the subordinate position we have assigned to it by burying it within the Department of Commerce, where the interests of the maritime industry have been overshadowed by the many other interests of the Department.

This situation would continue if the merchant marine were placed within the Department of Transportation, where again its interests would be overshadowed by the many other interests which this Department would have.

The only hope for our maritime industry lies in a strong and independent Federal agency which would have the merchant marine as its sole concern.

I urge that all provisions now relating to the Maritime Administration be stricken from the legislation now pertaining to the Department of Transportation, and that we lend our efforts to

the reestablishment of the Maritime Administration as a completely independent and autonomous Federal agency.

(Mr. BYRNE of Pennsylvania asked and was given permission to revise and extend his remarks.)

Mr. FARBSTERN. I repeat, ladies and gentlemen on both sides of the aisle, let us see whether or not an independent agency can do that for merchant shipping which the Department of Commerce has been unable to do.

Mr. HOLIFIELD. Mr. Chairman, I would like to have an idea of how many want to speak on this amendment. We have had over an hour to debate it. I am hoping that we can get to a vote very soon. I promised not to limit the debate.

Mr. CAREY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I shall not belabor the point because, as the gentleman from Virginia said, the debate has been full and fair. However, I just want to take a minute of time to remind this distinguished committee of a signal fact in history.

I wonder if our colleagues can remember from many times the phrase has been used: "Don't give up the ship." In 1776 James Mugford, in Boston harbor, commanded the *Franklin*, and he said it while mortally wounded by the British. In 1813 James Lawrence, commander of the *Chesapeake*, which was sinking under fire of the British brig *Shannon*, again said "Don't give up the ship." Oliver Hazard Perry finally said it during the battle of Lake Erie in 1813. Today, at this juncture of the debate, I say to my colleagues, Mr. Chairman, let them have the highways and the railways; let them have the planes and the trains; let them have all of the carriers that soar above or roar below; let them have everything from model trains to whooping cranes, but for the love of Columbia, if you want her to remain the gem of the ocean, and if you want this country to retain its prestige around the world as queen of the seas, then, as Mugford said, as Lawrence said, and as Perry said, I say to my colleagues today, "Don't give up the ships." Vote to strike the Maritime Agency from this bill.

Mr. HOLIFIELD. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we have had a very fine debate in good spirit and I am hoping that we can conclude the debate and vote on this very important amendment at the conclusion of my speech, because as I said there have been about 45 minutes on behalf of the amendment and 15 minutes against the amendment.

(Mr. HOLIFIELD asked and was given permission to proceed for 5 additional minutes.)

Mr. HOLIFIELD. Mr. Chairman, the Committee on Government Operations in my opinion has done a good job in drafting this bill. We have tried to solve a very complex problem burdened with a great many conflicting and a great many legitimate interests. We do not claim that our bill is perfect. Under the open rule we requested, the House can work its will. This is as it should be. Whatever may be, I hope the Committee will

accept the verdict and do its best to protect the House position in conference with the other body.

Now, Mr. Chairman, I will address my remarks to the issue presented by the Garmatz amendment. As the esteemed gentleman from Virginia [Mr. SMITH], once said on the floor of the House, "I have been here long enough to count the vote." As manager of the bill I am aware of the policy statement of the minority party, and the deep fears and concerns of my good friends on the Democratic side, and particularly on the Committee on Merchant Marine and Fisheries, who have come to me on numerous occasions and said, "Chet, I am for the transportation bill", and then they put their arms around me lovingly and say "but I am going to vote to strike out the merchant marine amendment."

Now, this has not happened once, but it has happened a number of times so, as I said, I am aware of this situation. There is only one thing that will cure the present condition of the maritime industry. I want my Republican friends to listen to this. That is a program of huge expenditures by the Federal Government.

Mr. Chairman, the Committee on Merchant Marine and Fisheries does not have the power to make annual authorizations. Those are made under the general law setting up the act.

Mr. Chairman, the Maritime Administrator, whether he is located in the Department of Commerce, the Department of Transportation, or in a separate body, prepares the annual budget. It is then scrutinized by the Director of the Bureau of the Budget. It is then approved by the President. The budget ceiling is set by the Director of the Bureau of the Budget and the President. The Committee on Appropriations of the House of Representatives sets the appropriation figure on that approved budget of the Director of the Bureau of the Budget, because that is the way it is set up.

Mr. Chairman, I urge the members of the Committee to keep these things in mind: Regardless of where the Maritime Administration is placed in the governmental structure, the budget process remains the same; you have to go through the same budget process.

Mr. Chairman, putting the Maritime Administration in the Department of Transportation is not going to solve our problem. I am the first to admit it. Leaving it where it is, certainly is not going to solve the problem. And I say to you, in all seriousness, that if it ever goes into an independent agency, that will not solve its problem, because you will have an administrator on a lower level going to the Bureau of the Budget, and you will have the Bureau of the Budget still making the decision. You will not have the Secretary of a department concerned only with improvement of transportation fighting your battles before the committees on the Hill and before the Bureau of the Budget.

Mr. Chairman, I want all of the friends of a dynamic program to listen to this. The administration wants the Maritime Administration transferred from the De-

partment of Commerce to the Department of Transportation. The President in his transportation message said:

I am recommending the consolidation into the Department of those Federal agencies whose primary functions are transportation promotion and safety * * *

Mr. Chairman, I talked to the President no later than last Friday. I asked him his opinion on this. He said:

I think it ought to go into the Department of Transportation.

And, he said:

I will charge the Secretary of that department to evaluate the studies that have been made and to come to me with a reasonable program in the light of the peacetime necessities and in the light of wartime needs.

Of course, Mr. Chairman, the President is not going to let a man like Paul Hall blackjack him. If he did, he would not deserve to be President of the United States.

So, Mr. Chairman, the friends of the merchant marine—and I am a friend; I have voted for 24 years for every merchant marine bill that has come to this floor, including the last bill that raised the subsidy on construction from 50 percent to 55 percent—and therefore, I am talking to you as a friend of the merchant marine.

Mr. Chairman, when a Member votes for the Garmatz amendment, he is voting against the plan of the administration to improve all methods or modes of transportation. He is voting against the people who have the responsibility of setting the ceiling on the budget.

Now, Mr. Chairman, I am going to ask the Members of the House to vote against the Garmatz amendment to strike from this bill our proposal to transfer the Maritime Administration from the Department of Commerce to the Department of Transportation.

Remember this bill does not create an independent agency. The so-called Garmatz-Bonner bill does. The Garmatz-Bonner bill does two things: It removes the maritime administration from the Department of Commerce or wherever else it might be. It places the maritime administration functions in an independent agency. Both actions are related, actions for a single purpose.

The Merchant Marine Committee bill has a rule for consideration by the House, and 7 legislative days having passed since that rule was granted, it is entitled to recognition under high privilege. But I have been assured by the leadership that it will not need to exercise its high privilege. There will be consideration of the Garmatz-Bonner bill. The House will have an opportunity to vote on a clear-cut issue which will be complete and which will be germane.

The Merchant Marine Committee bill transfers and creates an independent agency—that is where you get the real vote on the matter. Whether you put it in the Department of Transportation, or the other body puts it in, or whether it is in the Department of Commerce, having been stricken from this bill, you will get the chance then to do what you want to do, to get the objective you want, which

is to move it from where it may be and create an independent agency.

Let us consider the best method for the friends of a dynamic merchant marine program to follow. I want you to listen carefully to this. There is no doubt in anyone's mind that this bill rescues the Maritime Administration from a department that has many interests other than transportation.

I am sure that transfer of the Maritime Administration to a department whose only interest is transportation will be a long step forward. It will be placed in a much more advantageous place than it is now.

If it is stricken from my bill and remains in the Department of Commerce, and if the Garmatz bill does not pass, or if it passes the House and fails in the other body or if it passes in the House and in the other body and is vetoed by the President, it will still be in the Department of Commerce. If this occurs, no progress will have been made.

Now let us consider a constructive procedure.

Do not strike the Maritime Administration from the bill and let it be transferred to the Department of Transportation. Send it to the other body for its acceptance or rejection.

Within a short time the House must consider the Garmatz bill.

Let the House, if it wills, pass the Garmatz bill to transfer the Maritime Administration, regardless of where it may be, either in the Department of Commerce or in legislative transition phase, to an independent agency.

We are correcting today's bill by taking note of what happened in the House the other day under the highway safety bill, and we are conforming that action by accepting the amendment by the gentleman from Illinois [Mr. KLUCZYNSKI]. So we can handle these things legislatively, do not worry about that.

If misfortune occurs anywhere along the legislative path for the Garmatz bill—and in my opinion it is on a dangerous path—then the friends of the merchant marine have a hedge on their bets.

There is nothing tricky about this procedure I have recommended. The art of politics—the art of legislation—is to attain the possible, not the impossible, not breaking your neck on the impossible, but to obtain as much as is possible.

I am appealing to you to use good legislative judgment. I am saying to the friends of a dynamic merchant marine program, act with prudence and judgment. Vote against the Garmatz amendment to strike, then vote for the Garmatz bill when it comes to the floor in a few days if you favor it.

Place your bets on both horses and I will guarantee you will have a winner.

Mr. WAGGONNER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we in the House heard a rather interesting discussion a few moments ago between the gentleman from Texas [Mr. CASEY], who represents Houston, and the gentleman from Virginia [Mr. HARDY], who represents Norfolk, when they became embroiled in an argument about whose port was No. 2, I asked the gentleman from Texas to yield,

and I am glad his time did not permit and he did not at the time because since then I have had an opportunity to get the official Government figures from the Department of Commerce and they make both of those gentlemen's claims look rather bad because as I thought New Orleans is the No. 2 port. I would like to correct the Record.

The official Government figures for the latest year available show the total all-cargo tonnage figures for the Port of New Orleans to be 83,496,000 tons. The up-and-coming port at Houston on the bayou or "ditch" as some say had only 59,153,000 tons, but they are making progress. It would be well for these gentlemen to broaden their reading to something other than Texas or Virginia papers.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. WAGGONNER. I yield to the gentleman from Louisiana.

Mr. PASSMAN. Where is the No. 2 port?

Mr. WAGGONNER. In Louisiana. Where else?

Mr. CASEY. Mr. Chairman, will the gentleman yield?

Mr. WAGGONNER. I yield to the gentleman from Texas.

Mr. CASEY. Did you include Baton Rouge in your figures with New Orleans?

Mr. WAGGONNER. No; Baton Rouge stands on its own and is aiming at No. 3.

Mr. CASEY. How does Baton Rouge stand?

Mr. WAGGONNER. Baton Rouge is doing real well. They are coming along. You had better watch them.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland [Mr. GARMATZ].

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. HOLIFIELD. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. HOLIFIELD and Mr. GARMATZ.

The Committee divided, and the tellers reported that there were—ayes 190, noes 63.

So the amendment was agreed to.

AMENDMENTS OFFERED BY MR. KLUCZYNSKI

Mr. KLUCZYNSKI. Mr. Chairman, I offer a series of amendments dealing with the same subject. I ask unanimous consent that they be considered en bloc.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. KLUCZYNSKI. I yield to the gentleman from California.

Mr. HOLIFIELD. Mr. Chairman, I just wish to concede defeat on the Garmatz amendments.

Mr. KLUCZYNSKI. Accepted.

The CHAIRMAN. Is there objection to considering en bloc the amendments offered by the gentleman from Illinois?

Mr. CRAMER. Mr. Chairman, reserving the right to object—and I shall not object—will the gentleman from Illinois [Mr. KLUCZYNSKI] explain? As I understand it, these are the series of some four amendments, are they not,

that were drafted by the membership on the Public Works Committee and the staff?

Mr. KLUCZYNSKI. The gentleman is correct.

Mr. CRAMER. The objective is to attempt to conform this bill to legislation presently in existence relating to Federal aid to highways?

Mr. KLUCZYNSKI. That is correct.

Mr. CRAMER. Mr. Chairman, I withdraw my reservation.

The CHAIRMAN. Without objection, the amendments offered by the gentleman from Illinois [Mr. KLUCZYNSKI] will be considered en bloc.

There was no objection.

The CHAIRMAN. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. KLUCZYNSKI: On page 4, insert after line 17 the following:

"(g)(1) The Secretary shall establish within the Department a National Highway Safety Agency which shall exercise the functions, powers, and duties (transferred to the Secretary by section 6(a) of this Act) which the Highway Safety Act of 1966 provides shall be carried out through the National Highway Safety Agency. The National Highway Safety Agency established under this subsection shall be headed by an Administrator who shall be appointed by the President by and with the advice and consent of the Senate, and who shall be compensated at the rate provided for level V of the Federal Executive Salary Schedule. The Administrator shall have the qualifications and shall be subject to the limitations prescribed by the Highway Safety Act of 1966.

"(2) The Secretary shall establish within the Department a National Highway Safety Advisory Committee composed of the Secretary, the Federal Highway Administrator, and twenty-nine members appointed by the President in the manner prescribed by section 404 of title 23, United States Code, who shall serve for the terms specified in, and shall be subject to the limitations in, section 404(b) of such title. Such Committee shall exercise the same functions, powers, and duties as the Highway Safety Act of 1966 provides for the National Highway Safety Advisory Committee."

On page 13, insert after line 7 the following:

"(M) The Federal-Aid Highway Act of 1966."

On page 15, insert after line 14 the following:

"(6) the following law relating to highway safety: The Highway Safety Act of 1966."

On page 15, line 15, strike out "(5)" and insert in lieu thereof "(6)".

On page 31, line 12, insert "(1)" after "(j)".

On page 31, insert after line 23 the following:

"(2) The office of Federal Highway Administrator, created by section 303 of title 23, United States Code, is hereby transferred to and continued within the Department under the title Director of Public Roads. The Director shall be the operating head of the Bureau of Public Roads, or any other agency created within the Department to carry out the primary functions carried out on the effective date of this Act by the Bureau of Public Roads, and he shall be compensated at the rate prescribed for level IV of the Federal Executive Salary Schedule."

Mr. KLUCZYNSKI. Mr. Chairman, the four amendments to H.R. 15963 are all technical amendments designed to insure carry-over to the Department of Transportation functions and positions contained in both the Highway Safety Act and the 1966 Highway Act which

the House passed last week. These amendments add to, rather than detract from, the powers transferred to the new Department. They are specifically drawn to conform to the organizational plan for the Department that is contemplated by the administration; that is, a Federal Highway Administrator who shall have jurisdiction over the Bureau of Public Roads and the Highway Safety Agency, each having its own head.

The amendment on page 4 would insure that there be a National Highway Safety Agency, with a Director as its head, and that the Highway Safety Advisory Committee created by the Safety Act would also survive.

The amendment on page 31 would preserve the present position of Federal Highway Administrator but under the title Director of Public Roads, and at the salary level IV specified in the safety act.

The amendment on page 15 transfers over to the new Department the safety act in its entirety.

The amendment on page 13 is necessary to protect those sections of the 1966 Highway Act which do not become a permanent part of title 23: Section 3, which is the authority to make apportionments under the 1965 cost estimate for the Interstate System, and sections 10, 12, and 13 which are, respectively, the sections calling for studies on advanced acquisition of rights-of-way, relocation assistance, and highway needs in Guam, the Virgin Islands, and American Samoa.

Title 23 is transferred to the Department intact as the bill is now written, but these sections by their nature do not become part of the permanent title 23 and would not, therefore, be transferred. It is necessary, as a technical matter, that they be protected.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. KLUCZYNSKI. I yield to the gentleman from California.

Mr. HOLIFIELD. Mr. Chairman, the gentleman from Illinois conferred with the minority and majority managers of the bill. We carefully worked together to get the right kind of language to do this. This confirms an action of the House, and makes it possible for the integration of what the House did on the highway safety bill into the new Department of Transportation. I think it is a good amendment, and is in harmony with the purpose of the bill. I gladly accept it, and thank the gentleman for bringing it to our attention.

Mr. ERLBORN. Mr. Chairman, will the gentleman yield?

Mr. KLUCZYNSKI. I yield to the gentleman from Illinois.

Mr. ERLBORN. Mr. Chairman, I want to echo what the gentleman from California [Mr. HOLIFIELD], said. The gentleman from Illinois [Mr. KLUCZYNSKI] has submitted these amendments to us. They are perfecting amendments necessary to coordinate the recently passed transportation safety bills with this new Department of Transportation bill. We are very happy to accept it.

Mr. CRAMER. Mr. Chairman, will the gentleman yield?

Mr. KLUCZYNSKI. I yield to the gentleman from Florida.

Mr. CRAMER. I join in the gentleman from Illinois' remarks in support of the amendment. I trust they will be adopted. They conform to what I think are necessary amendments relating to this new Department preserving the Bureau of Public Roads and its function as it presently exists to the extent possible.

(Mr. KLUCZYNSKI asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The question is on the amendments offered by the gentleman from Illinois [Mr. KLUCZYNSKI].

The amendments were agreed to.

AMENDMENT OFFERED BY MR. DOLE

Mr. DOLE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DOLE: On page 5, line 9, after the period, insert the following:

"The Secretary is hereby directed to commence immediately a complete study of the operations and adequacy of the labor laws as they relate to transportation. The Secretary is further instructed to report to the Congress by July 15, 1967, the findings of such study together with appropriate recommendations for such amendments to the labor laws as will provide improved permanent procedures for the settlement of labor disputes in the field of transportation."

Mr. HOLIFIELD. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The gentleman will state his point of order.

Mr. HOLIFIELD. Mr. Chairman, I make the point of order that the gentleman's amendment violates rule 16, paragraph 7 of the House in that it is on a subject different from that under consideration and, consequently, is not germane.

Mr. Chairman, the subject under consideration, H.R. 15963 is the creation of a new Department of Transportation, which would bring together in one department various transportation functions now being performed throughout the Federal Government.

Mr. Chairman, the amendment now proposed by the gentleman from Kansas [Mr. DOLE] would direct a study of labor laws relating to transportation and a report, with recommendations, to the Congress.

Mr. Chairman, this is a matter for separate legislation and is not appropriate as an amendment to the bill now under consideration.

The CHAIRMAN. Does the gentleman from Kansas [Mr. DOLE] desire to be heard on the point of order?

Mr. DOLE. Mr. Chairman, I simply state that we are talking about amending section 4 of the act, page 5, line 9. We are talking about the powers and the duties of the Secretary.

Also, Mr. Chairman, I would point out that just not too long ago this afternoon we adopted an amendment to that section which would authorize and direct the Secretary to gather and maintain certain information for the benefit of the President.

Mr. Chairman, we are dealing with national transportation policy and the

question as to how to accomplish this objective in section 2 of the bill.

Mr. Chairman, I feel that the amendment is germane.

The CHAIRMAN (Mr. PRICE). The Chair is ready to rule.

This amendment brings into consideration a matter pertaining to labor law and a matter in this case within the jurisdiction of the Committee on Interstate and Foreign Commerce. It goes beyond the substance matter of this particular bill under consideration.

Therefore, the Chair sustains the point of order.

AMENDMENT OFFERED BY MR. DOLE

Mr. DOLE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DOLE: Insert after the word "articles" on line 20, page 18, and before the semicolon following that word, the phrase "except as those provisions of law relate to transportation by pipeline".

(Mr. DOLE asked and was given permission to revise and extend his remarks.)

Mr. DOLE. Mr. Chairman, I am offering this amendment to H.R. 15963, which would have the effect of retaining in the Interstate Commerce Commission the safety jurisdiction now exercised by that agency over oil pipelines. Without this amendment this function would be transferred to the proposed Department of Transportation.

I am convinced that the transfer of safety jurisdiction over oil pipelines from the ICC to the proposed Department of Transportation would not in any way promote highway safety or the safety of the traveling public on any form of transportation, the purpose for which safety jurisdiction over various modes of transportation is proposed to be transferred to the Department of Transportation. In fact, the transfer of safety jurisdiction over oil pipelines from the ICC to the new Department might adversely affect the splendid safety record of the oil pipelines.

The oil pipelines, of course, do not carry passengers. They perform their transportation function buried in private rights-of-way, out of contact with the traveling public or the public at large. They are unique in that they are the only carrier whose transportation facility remains stationary while the cargo alone moves.

Not surprisingly, the oil pipeline safety record is unique among the carriers forming our transportation system. A study conducted by the American Petroleum Institute in March of this year indicated that there were only 6 deaths to the public and only 13 injuries to the public from pipeline operations during 1955-64, the 10-year period covered by the study.

It is inconceivable to me that the transfer of safety jurisdiction over oil pipelines from the ICC to the proposed new Department would improve this outstanding safety record. The oil pipeline industry and the ICC are to be congratulated for the wonderful record they have achieved. Transfer of the safety

function to a new agency, however, could adversely affect this unique safety record.

I feel strongly that we should leave well enough alone, and for that reason I am offering an amendment which would retain in the ICC safety jurisdiction over oil pipelines.

I feel very strongly that we should leave well enough alone. For that reason I have offered the amendment which would retain in the ICC the safety restriction over oil pipelines.

Mr. HOLIFIELD. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, pipeline safety is administered by the ICC under the law relating to explosives and other dangerous articles. The ICC has the same responsibilities and jurisdiction with regard to pipelines as it has for other modes of transportation.

The same staff within the ICC who handle safety problems relating to explosives and other dangerous articles handle pipeline safety matters. This staff, which is not separable by mode, will be transferred to DOT. If pipeline safety were excluded, there would be no staff left at ICC to do the work on pipeline safety.

Essentially, the same types of safety factors are involved in pipeline safety as are involved in problems related to the other modes of transportation. The people who develop standards for tank cars, for example, also are available to work on pipelines and such things as the stresses and strains on the materials involved which are common to the various modes.

The staff which currently works on explosives and other dangerous articles has the responsibility for motor carrier, rail and pipeline safety. Indirectly, they also develop standards which are used for aviation and marine safety. Under the system as it presently works, there is coordination, uniformity and an exchange of necessary information. There is no logical reason for separating any one mode, and an exclusion of pipeline safety could only operate to the detriment of pipelines as well as the other modes.

I might point out, Mr. Chairman, that there is a potential danger in pipelines carrying oil and highly abrasive chemicals and other explosive materials. I think it would be completely unrealistic to eliminate from the consideration of the total safety problem this one small segment. I do not know they should be excluded from the safety factors which protect our people.

Many of these pipelines have been in the ground for 15, 20, or 25 years and there is a possibility that they have deteriorated. I believe that this would be a very bad amendment and I would ask for its defeat.

Mr. DOLE. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman.

Mr. DOLE. I noted very briefly the excellent safety record they have compiled under the Interstate Commerce Commission. I think in a 10-year period there were only 6 deaths and a total of 13 injuries. I do not think we can better that record regardless of a transfer.

Mr. HOLIFIELD. The safety record is good, I will say to the gentleman, but on the other hand the deterioration of pipelines which even now is occurring, may bring about hazardous conditions. If it is of such small import, why does the gentleman want to strike it out and give it a privileged position where the public interest is involved?

Mr. DOLE. We are talking about such things that move as airplanes, railroad cars, automobiles—pipelines, of course, do not move as I said before. They are placed in private rights-of-way. They do not interfere with the public. We do not think they properly belong in this bill.

Mr. HOLIFIELD. In many instances as the gentleman knows, the pipelines do cross public highways and they are not all completely privately owned rights-of-way. I think the public has an interest in the safety matter. I ask that the amendment be voted down.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

(Mr. GROSS asked and was given permission to revise and extend his remarks.)

Mr. GROSS. Mr. Chairman, apparently the House is about to authorize the creation of a brand new Cabinet-level department of Government.

I have been reading the report, especially pages 26, 27, and 28, with respect to the cost of this new Department. I would like, if there are any members of the Committee on Appropriations on the floor of the House to call their attention to these three pages for their future reference.

In reading the committee report you get the impression that in a very short time this brandnew Department of the Government, although there will be 100,000 employees on the payroll, will not cost much of anything.

I have never read more claims to economy in the creation of a new Department of Government than there are here set forth on these three pages. On page 26 the following statement appears:

Establishing a new Department of Transportation will result in some additional dollar costs. However, these costs will be rapidly offset and eventually outweighed by sizable Government economies.

Again, on page 26:

The new Department will be one of the largest. It will have approximately 100,000 civilian and military employees.

Again, on page 26:

Budgetary economies will be realized quite rapidly after formation of the new Department through consolidating administrative operations and improving cooperation among the various transportation elements within the Department.

On page 27:

The Bureau of the Budget now believes that budgetary savings directly attributable to the establishment of the Department should offset the net costs of establishing the Secretary-level organization within 2 to 3 years after the Department is created.

I am sure the committee does not really expect us to believe that all these economies will take place. You only have to look at the Department of Defense in order to get a real view of what

happens when you create a new department of Government. The costs of the Department of Defense with that layer of fat imposed on top of the Departments of Army, Navy, Air Force, have skyrocketed, and you know it. If memory serves me correctly, there are some 37 Secretaries, Assistant Secretaries, and Deputy Assistant Secretaries in the Department of Defense, and this was a setup that was supposed to effect economies and efficiency.

I hope that the members of the Appropriations Committee will read carefully the language to be found in this report. Incidentally, I might ask the question of just how soon it is contemplated this new Department of Transportation is going to require its own building here in the District of Columbia at a cost of probably \$30 million to \$50 million? How soon will the new Secretary be here asking for a plush new building?

Mr. Chairman, I am opposed to the creation of another brandnew Cabinet-level department of Government. I do not think it will provide any commonality, any economy, or any efficiency. I am opposed to loading this additional financial burden upon the taxpayers, especially at a time when no one seems to know with any certainty whether fiscal chaos is close at hand.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas.

The amendment was rejected.

AMENDMENT OFFERED BY MR. DOLE

Mr. DOLE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DOLE: On page 17, delete lines 1 through 7, and redesignate the subsequent subsections and references thereto accordingly.

The CHAIRMAN. The gentleman from Kansas is recognized for 5 minutes.

(Mr. DOLE asked and was given permission to revise and extend his remarks.)

Mr. DOLE. Mr. Chairman, I am seriously alarmed by the dangers of allowing the transfer of the aviation safety investigation functions of the Civil Aeronautics Board to the new Transportation Department. The implications of this transfer have not been thoroughly thought through. In the inevitable confusion surrounding the setting up of the new safety board in the Transportation Department, aviation safety may suffer a serious setback.

I urge the responsible course. Let us defer the reorganization of aviation safety for at least a year and review the situation after the proposed safety board has had time to get itself established. I am offering an amendment to that effect.

The reasons are simple.

First. Improvement of highway safety will have top priority with the new priority with the new safety board. Let it get organized in this field before it takes on the specialized highly technical problem of aviation safety.

Second. Under the proposed organization, the Department of Transportation will both investigate air accidents and operate the airways system. Since mal-

functions of the airways system may at times be a contributory cause to air accidents, under the proposed organization, the Transportation Department would have the responsibility for investigating itself. No satisfactory solution for this difficult problem has so far been advanced by the proponents of the bill. Let us leave matters as they are until this problem is solved.

Third. The international implications of the proposed change have not been considered. Foreign countries, after many years of experience, have developed confidence in the CAB safety bureau. When a U.S. airplane has an accident abroad or a foreign-built airplane has an accident in the United States, world attention is focused at once on the airworthiness of the airplane. It is essential that all have confidence in the investigating procedures. Lack of professionalism in these procedures, lack of confidence in an untried unit, could result in incidents highly damaging to public confidence in world aviation.

The present organization is working well. It has the confidence of the public, foreign governments, the airlines, the manufacturers, the pilots and the FAA. No showing has been made that the drastic reorganization proposed will in any way be an improvement.

Thus aviation safety has nothing to gain and everything to lose by the change. Those who remember the debates on the creation of the Federal Aviation Agency will remember also the tragedies which led to that reorganization. When the administration of air safety regulation and accident investigation falter, a burning national issue is created. We faced such an issue in 1958. The action we took then turned out to be wise and the results have been excellent. Let us not today take on ourselves the responsibility of destroying an organization that has worked so well. The proposed Safety Board is an unknown quantity. Let us see how it will operate before we entrust to it so delicate and complicated a matter as aviation safety. I urge the cautious approach. Let us leave well enough alone for the time being.

CIVIL AERONAUTICS BOARD—AVIATION ACCIDENT RESPONSIBILITY

A major factor in the progress in aviation safety has been the outstanding work of the Civil Aeronautics Board in investigating and determining the probable cause of aviation accidents. For 26 years, the Bureau of Safety of the CAB has been investigating accidents under the guidance of the Board itself. It has attained worldwide recognition for objectivity, expertise and unusual success in determining the causal factors involved in aviation accidents.

The CAB has built this expert organization to its high level of repute through careful and painstaking attention to the minutest detail and to the need to bring out all the facts and let the chips fall where they may.

Under the pending legislation to establish a Department of Transportation, it is proposed to abandon this successful machinery, take away from the CAB its powers in the field of aviation accidents

and transfer the function of determining probable cause of aviation accidents to a new five-man National Transportation Safety Board, and transfer the accident investigation responsibility to the Secretary of Transportation.

In certain respects, this takes aviation back 28 years. When the Civil Aeronautics Act was passed in 1938, a three-man Aviation Safety Board was established to investigate accidents and determine the probable cause thereof. The Board had so little to do, and functioned so ineffectively, and with so much conflict with members of the Civil Aeronautics Administration that President Roosevelt abolished it 18 months later, transferring its powers and responsibilities to the CAB. The CAB has successfully carried on accident investigation work ever since. Today, the Government organization for regulating aviation safety is clear and distinct. There is no confusion of responsibility in the field. The Federal Aviation Administrator makes the rules, sets the standards and operates the airways. The CAB investigates accidents and determines the probable cause thereof. The functions are distinct and well separated from each other. The investigation of accidents is carried on by an organization which is familiar with aviation but has complete independence from the operating and technical phases of it. Therefore, there is little doubt about the objectivity of the Board's investigation and the conclusion as to the probable cause of accidents.

Under the proposed bill, the Board's responsibility to investigate accidents would be separated from the responsibility to determine probable cause—investigation being transferred to the Secretary of Transportation who would set up a new and separate Office of Accident Investigation, and the "probable cause" function would be transferred to the new National Transportation Safety Board via the Secretary.

The accident investigation function would be carried on under the rules prescribed by the Secretary. In virtually every major accident today, the Federal Aviation Agency is a party at interest either because of the functioning of the air traffic rules, the adequacies or violation of safety standards, the operation of the air traffic control facilities, or the performance of the air traffic control personnel. Can we expect true objectivity in accident investigation when the Secretary has the statutory responsibility for making the safety rules and operating the airways, either directly or through delegation to the new Federal Aviation Administrator, and, at the same time, has the responsibility for conducting the investigation of accidents?

No clear case has been made for the need to take accident investigation away from the CAB. On the other hand, it seems quite clear that the bill will inject confusion into aviation safety regulation. We will have uncertainty as to the division of responsibility

¹ While the CAB has the statutory responsibility for determining the probable cause of all aviation accidents, it has for some time, delegated to the FAA the responsibility for investigating small-plane accidents. This has been necessary because of the lack of adequate funds and staff at the CAB to conduct small aircraft accidents. Quite possibly, the safety record in general aviation could be improved if the Board had adequate funds and staff for investigating these accidents also.

for the technical phases of aviation safety regulation between the Secretary, the Federal Aviation Administrator, and the Assistant Secretary for Safety. We will also have a Director of the Office of Accident Investigation, who undoubtedly will also have some opinions about the causes of accidents and what to do about safety. We will also have the National Transportation Safety Board, a group of five political appointees, with responsibility for determining the cause of accidents in transportation without the power to conduct or control the investigation of the accidents. They also are to make recommendations for improving safety.

The picture does not hold promise of making any improvement in aviation safety. On the other hand, it holds great prospects of injecting confusion into our regulation of aviation safety. In fact, it promises to be confusion compounded.

The accident trend in air transportation has been downward. Undoubtedly, one reason for that has been the interest and desire which all phases of aviation have in ascertaining the facts in any accident and identifying fault. A good organization which is working well should not be destroyed unless there is clear promise of improvement. There is no reason to believe that improvement will result from the proposed transfer of accident responsibilities away from the CAB.

Mr. CLARENCE J. BROWN, JR. Mr. Chairman, will the gentleman yield?

Mr. DOLE. I yield to the gentleman from Ohio.

Mr. CLARENCE J. BROWN, JR. As I understand it, the sense of the gentleman's amendment would be to maintain the situation as it is now, where the CAB—as a separate and independent investigative body—has accident investigation functions whereby it investigates the activities that would be set up in the Department of Transportation in the safety area. Is that correct?

Mr. DOLE. Yes. That is precisely correct.

Mr. CLARENCE J. BROWN, JR. But, if the CAB is moved into the Department of Transportation, with reference to these investigative functions and accident investigations, we will wind up with the CAB investigating in effect the same department in which it is located. So the Secretary of Transportation would be in a position to say, "In your report do not be quite so critical of one of the other agencies I have"; is that correct?

Mr. DOLE. That is correct.

Mr. HOLIFIELD. Mr. Chairman, I rise in opposition to the amendment.

The gentleman's amendment practically would destroy the safety board function in this bill. One of the primary problems which we face in this Nation is the increasing number of deaths which come about as a result of traffic accidents, both in the air and on the highways.

Transportation safety is a primary concern of the Department of Transportation. A primary purpose for creating the Department of Transportation is to improve safety in the Nation's trans-

portation system. While each mode of transportation has its own peculiar safety problems, there is also a large area of commonality. For example, human factors research, metallurgy, fuels, safety of propulsion systems, communications, and other materials research are involved in all methods of transportation. These elements are also involved in the investigation of transportation accidents. The safety effort with respect to all modes of transportation will be strengthened by the Cabinet-level emphasis which will be given to transportation safety in the new Department. Greater effectiveness will be given to this safety drive through broader based research, pooling of facilities, and cross fertilization of ideas and investigative techniques.

There are common characteristics of transportation accidents. While each mode of transportation has unique characteristics, accidents in various forms of transportation have common elements. Transportation involves motion and the movement of people and property in vehicles of different types; accidents vary in accordance with the degree of impact and other deceleration forces involved. Similarly, the construction of vehicles, the types of materials used, as well as structural techniques and the nature of effective restraining devices for the vehicles, for passengers and for property relate directly to the nature and extent of injuries and damages and to the possibility of preventing them. A sustained effort to identify the common elements among modes of transportation and their bearing on safety in all modes, will spread the benefits of improved safety programs much more rapidly than would otherwise be possible. It should be possible in a single department to integrate research with respect to the common facets of accidents, not only involving structures and materials but particularly those involving human factors.

Mr. Chairman, this National Transportation Safety Board is an independent board, and will have the right to require special efforts on the part of the Office of Investigation in accident investigation. The Bureau of Safety is to be moved over from the CAB into this new Department because it pertains to the matters under study here.

I ask that the amendment be voted down. It is a mischievous amendment and will cause confusion.

SUBSTITUTE AMENDMENTS OFFERED BY MR. ERLENBORN

Mr. ERLENBORN. Mr. Chairman, I offer a substitute. I have 3 amendments, and I ask unanimous consent that they be considered en bloc as a substitute for the amendment offered by the gentleman from Kansas [Mr. DOLE].

The CHAIRMAN. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. ERLENBORN as a substitute for the amendment offered by Mr. DOLE:

On page 4, lines 12 through 17, delete subsection "(f)".

On page 6, following line 20, insert the following new subsection, and reletter the subsequent subsections accordingly:

"(b) There are hereby transferred to and vested in the Board all functions, powers, and duties of the Civil Aeronautics Board, and of the Chairman, members, officers, and offices thereof under titles VI and VII of the Federal Aviation Act of 1958 (72 Stat. 776, 49 U.S.C. 1421 et seq.)."

On page 17, lines 1 through 7, delete subsection "(d)" and reletter the subsequent subsections accordingly, and references thereto.

The CHAIRMAN. Is there objection to the consideration of the amendments en bloc?

There was no objection.

The CHAIRMAN. The gentleman from Illinois is recognized for 5 minutes.

(Mr. ERLENBORN asked and was given permission to revise and extend his remarks.)

Mr. ERLENBORN. Mr. Chairman, I am offering the substitute to the Dole amendment to accomplish the same purpose that Mr. DOLE seeks to accomplish, but in a different way.

The gentleman from California has taken the floor in opposition to the Dole amendment and explained that in a way this would destroy the effectiveness of the National Transportation Safety Board and destroy the effectiveness of the Secretary in the field of safety. I was impressed by this argument by the gentleman in committee when I earlier offered an amendment or considered offering an amendment to leave the safety function, the accident investigating function, in the Civil Aeronautics Board. So my amendment takes a different tack. It transfers the accident investigating function from the CAB, but it puts it in the National Transportation Safety Board rather than in a separate Office of Accident Investigation under the Secretary.

Mr. Chairman, I would like to reiterate the very grave importance of separating the power to investigate accidents from the power to conduct traffic in the airways.

In 1958 this Congress in its wisdom separated these two functions as a result of a very bad airline accident. At that time we had only one agency, the Civil Aeronautics Agency. We separated them and formed two agencies, the Federal Aviation Agency, with authority to conduct airline traffic, and authority to establish navigational aids and set rules and regulations, and a separate Civil Aeronautics Board which had the power to investigate accidents. Since that time we have had an excellent record in the field of airline safety. Without exception the airline industry and the airline pilots and all concerned with the airline industry are in favor of maintaining this separation. Without exception these representatives of the industry testified before the committee that they did not think it was healthy to combine these two functions. They did not think that the one who has the responsibility for airline safety should also be investigating himself. If we do not amend the bill accordingly, we will have the situation where the Secretary will have the authority to conduct the traffic in the airways, and also the authority to investigate the accidents that occur. In other words, he will be investigating himself, in many instances.

Mr. DON H. CLAUSEN. Mr. Chairman, will the gentleman yield?

Mr. ERLENBORN. I am happy to yield to the gentleman from California.

Mr. DON H. CLAUSEN. Mr. Chairman, as one of the professional pilots in the Congress, I want to endorse everything that the gentleman from Illinois has said. I can recall back a number of years ago when I carried on a similar discussion with the late Senator Clair Engle, who was also a pilot. I believe it is most important that we do separate the accident investigation function from the so-called rulemaking body. I would submit further when it comes down to budgetary consideration it is absolutely essential to see these people have an independent opportunity to express themselves without concern over budgetary factors.

I would like further to express the opinion that the independent CAB approach, which was introduced by Congressman DOLE, would be preferable. However, I believe the Erlenborn amendment is generally a middle of the road approach that everyone in the Congress could live with, in arriving at the common safety and power separation objectives as presented by the gentleman from Illinois.

Mr. ERLENBORN. Mr. Chairman, I thank the gentleman for his contribution. He is right. This is a middle of the road approach. I do not think anyone can say that the substitute amendment I am offering is an attempt to gut or to hamper this bill. It is a genuine effort on my part to see that we have a meaningful bill, and one that I am very happy to support.

I have, as the gentleman from California will tell you, supported this legislation from the beginning. I think since this body worked its will it is even a better bill today, and some of the amendments that the gentleman from California accepted have made this a still better bill. So in no way am I trying to gut this bill. I am trying to make it a good bill and a meaningful bill which we can all support.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

(Mr. ERLENBORN asked and was given permission to proceed for 2 additional minutes.)

Mr. ERLENBORN. Mr. Chairman, I feel that there is no subject contained within the provisions of this bill which should have any more interest for us than the field of airline safety, not only because of our many constituents who use the airlines, but we, I believe as a group, use air travel more than anyone else and airline safety is extremely important to us.

Mr. Chairman, if we cannot take the judgment of those who know airline safety, those who run the airlines—the pilots and those who are intimately familiar with the problems of aircraft safety, then I do not know how we are going to render any judgment. And as I stated before, everyone involved in the airline industry believes in this separation and would support this move.

Mr. DOLE. Mr. Chairman, will the gentleman yield further?

Mr. ERLÉNBOEN. I am delighted to yield to the gentleman from Kansas.

Mr. DOLE. Mr. Chairman, in an effort to clarify the issue under the bill as presently drafted, the responsibility for accident investigator would be under the Office of Accident Investigation.

As I understand the gentleman's substitute, this responsibility would go under the Safety Board which in the gentleman's opinion is a more independent board; is that correct?

Mr. ERLÉNBOEN. That is correct.

Mr. Chairman, in conclusion I would solicit the support of anyone who is interested in maintaining the excellent record of the Civil Aeronautics Board in the field of airline safety.

Mr. Chairman, if the members of the Committee do not believe in that record or if they feel it can be done better in some other way, just look to the past and see the failures which we have experienced and I believe this will convince the members of the Committee that they should support this amendment.

Mr. DON H. CLAUSEN. Mr. Chairman, will the gentleman yield?

Mr. ERLÉNBOEN. I yield to the gentleman from California.

Mr. DON H. CLAUSEN. I might add one further comment, and that is the fact that we are involved in international trade insofar as trying to sell aircraft throughout the world is concerned. Therefore, it is equally important to keep the same team together in the field of accident investigations because the people throughout the world are familiar with existing procedures and are looking to the United States and this team for leadership in providing some of the answers.

Mr. ERLÉNBOEN. I believe that is definitely correct.

Mr. HOLIFIELD. Mr. Chairman, I rise in opposition to the amendment.

(Mr. HOLIFIELD asked and was given permission to revise and extend his remarks.)

Mr. HOLIFIELD. Mr. Chairman, I rise in opposition to the substitute amendment and the amendment itself.

Mr. Chairman, I feel that the substitute amendment is bad and I believe the original amendment is bad.

Now, Mr. Chairman, the air safety record of the United States is not yet a matter of which to be wholly proud. Passengers in privately owned aircraft used in general aviation had 10 times more chance of being killed than passengers in a private automobile or in a taxi.

Mr. Chairman, with reference to the total fatalities, our U.S. airline accidents in 1957 had total fatalities of 83 and in 1965 that figure was 253. So, the picture is not as rosy as it has been pictured in its present situation.

Mr. Chairman, we are proposing in substance to transfer the CAB Bureau of Safety over into the Office of Accident Investigation. Of course, its major duties will involve aviation accidents because it will acquire the CAB's Bureau of Safety as it is now constituted. But, gradually, there will be other accidents investigated and other duties which will be added to that Office of Accident Investigation—specialists in railroad acci-

dents, highway accidents, and shipping accidents.

Mr. Chairman, this is an integral part of the Department of Transportation and, in my opinion, it is not a step forward but a step backward.

Mr. YOUNGER. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. Yes; I yield to the gentleman from California.

Mr. YOUNGER. There has been, of course, talk about the division of the investigating body and the group that is going to determine the cause of the accidents. Now that is all handled by one body now. What is the intention in connection with the new group?

Mr. HOLIFIELD. The Office of Accident Investigation will investigate major accidents involving civil aircraft occurring in the United States and its territories and such other major transportation activities as will be added to it from time to time as we get into these other modes. Now those are the functions that are now in the Bureau of Safety but we leave in the CAB where it is now the regulatory function.

However, we do transfer over to the National Transportation Safety Board—and that is an independent board set up by statute to be independent—certain functions in determination of cause or probable cause of transportation accidents and involving reporting of facts, conditions, and circumstances relating to such accidents. Certain functions from the CAB, Coast Guard, and ICC are transferred into this National Safety Board.

They also have a quasi-judicial job to do which is to review on appeal the amendment, suspension, modification, revocation, or denial of certificates or licenses issued by the Secretary.

So we have provided in my opinion an Office of Accident Investigation in this department but we have safeguarded its function by providing that the National Transportation Safety Board shall be an independent board and can require—and the word is "require," not "request"—can require any type of additional accident investigation which they think is necessary in order to give to the National Transportation Safety Board the material it needs to make a determination of the cause or probable cause of an accident.

Mr. YOUNGER. You have two organizations, one organization that makes the investigation and another organization that makes the determination?

Mr. HOLIFIELD. I think that is proper. I think the operating accident investigating group makes a report of the type of accident and then it is up to the separate independent body, the National Transportation Safety Board, to determine cause or probable cause. I think that is a good arrangement, myself. I ask for the defeat of the amendment.

Mr. CLARENCE J. BROWN, JR. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would like to take this time to read into the RECORD for the benefit of those Members who are on the floor and attentive, the testimony of William K. Lawton, executive director of the

National Business Aircraft Association, before the subcommittee holding hearings on this legislation on Monday, April 25, 1966.

In his testimony, Mr. Lawton had this to say:

The proposals contained in section 6(d) therefore contravene the presently established and long-held congressional philosophy that the agency which establishes aviation policy, makes aviation rules and regulations, which operate an air traffic control system, which sets the standards for airworthiness of aircraft; which examines the proficiencies and qualifications of airmen, which acts as the enforcer of its own rules and regulations and which also assumes the role of judge—should not be permitted to be its own investigator when accidents occur.

When this division of powers was considered in 1958—at the time the present Federal Aviation Agency Act was being discussed—it was clearly established in both Houses of Congress that the FAA could not and should not be allowed to investigate aviation accidents. This role was then and is today delegated to the Civil Aeronautics Board.

Yet, under section 6(d) the Secretary of Transportation—under whom the entire FAA and the CAB's safety functions are to be combined—would be permitted to make and control the investigation of aviation accidents which could be the product of his own Department's negligence.

Further, the bill's claim that the Safety Board would be "independent" of the operating units of the Department does not eliminate control by the Secretary of the Board's reports, activities, scope of investigation (which is hinted at in section 5), its personnel, and its finances.

An independent safety board is not "independent" when it is established "within" a Department and subject to its domination or control.

If that is true of the situation that we had in the original legislation on which he was making his testimony, it is even more true under the circumstance where the Federal Aviation Agency is under the direct control of the Secretary and the Office of Accident Investigation is also under the direct control of the Secretary, wherein it would thus be investigating itself.

Mr. DOLE. Mr. Chairman, will the gentleman yield?

Mr. CLARENCE J. BROWN, JR. I yield to the gentleman from Kansas.

Mr. DOLE. If the chart I hold was made available to every Member, they would clearly see the point you are making and the reason we should accept my amendment or the substitute. Otherwise the FAA will make regulations and the CAB investigating accidents all under the jurisdiction of the same Secretary.

The National Transportation Safety Board is more of an independent body. So if we cannot accept deletion of the CAB language, then we should accept the Erlénborn substitute.

Mr. CLARENCE J. BROWN, JR. Exactly. In the bill under discussion the Safety Board would have independent status within the Department. The amendment would improve the situation upon which Mr. Lawton was testifying.

Mr. DON H. CLAUSEN. Mr. Chairman, will the gentleman yield?

Mr. CLARENCE J. BROWN, JR. I yield to the gentleman from California.

Mr. DON H. CLAUSEN. If the Erlenborn substitute amendment is accepted, it would in no way deter the overall reorganizational efforts that are recommended in the bill. Certainly it is recognized in the legislation that the Safety Board should be independent, and it would simply place the Accident Investigation function as a part of this independent agency.

Mr. CLARENCE J. BROWN, JR. That is correct. It attempts to provide some independent separation between the setting of regulations and the investigation and the proper application of those same regulations.

Mr. DON H. CLAUSEN. I want to join the gentleman, if he will yield further, in suggesting that we ought to give careful consideration to the experts in this particular field who testified. They want to have a separate evaluation of accidents, and I join with the gentleman in the well in asking support of the Erlenborn substitute amendment.

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from Illinois [Mr. ERLBORN].

The question was taken; and the Chairman announced that the "ayes" appeared to have it.

Mr. ERLBORN. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. ERLBORN and Mr. ROSENTHAL.

The Committee divided, and the tellers reported that there were—ayes 62, noes 100.

So the amendment was rejected.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Kansas [Mr. DOLE].

The amendment was rejected.

AMENDMENTS OFFERED BY MR. LENNON

Mr. LENNON. Mr. Chairman, I offer a series of amendments for a single purpose, and I ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. LENNON: Beginning on page 15, strike out line 19 and all that follows down through line 15 on page 16.

Redesignate subsections (c) through (h) of section 6 as subsections (b) through (g), respectively.

On page 20, lines 11, 17, and 19, and on page 21, line 2, strike out "subsection (e)" and insert in lieu thereof "subsection (d)".

On page 28, strike out lines 17 through 24. Redesignate subsections (c) through (p) of section 9 as subsections (b) through (o) respectively.

On page 29, line 13, strike out "subsection (b) (1) or".

On page 29, line 14, and on page 30, line 3, strike out "(d)" and insert in lieu thereof "(c)".

On page 31, line 4, strike out "(i)" and insert in lieu thereof "(h)".

On page 31, line 9, strike out "(g) and (h)" and insert in lieu thereof "(f) and (g)".

On page 31, line 13, strike out ", other than the Coast Guard,".

On page 35, line 25, strike out "(c)" and insert in lieu thereof "(b)".

On page 38, strike out lines 11 through 15.

On page 39, line 14, and on page 40, line 7, strike out ", Board, or General Counsel" and insert in lieu thereof "or Board".

(Mr. LENNON asked and was given permission to revise and extend his remarks.)

Mr. LENNON. Mr. Chairman and Members of the Committee, approximately a half hour ago the House exercised its will and in its judgment removed from the proposed Department of Transportation the Maritime Administration.

This group of amendments would strike from the proposed Department of Transportation the Coast Guard.

I do not believe, Mr. Chairman and Members of the Committee, there is a knowledgeable and reasonably informed person who would say that the principal objective in putting the Coast Guard, with its ocean missions and roles related to the maritime industry, into this bill was other than that the Maritime Administration was put in the bill.

So we will simply be following in sequence the thinking of the preponderant majority of the members of the Committee on Merchant Marine and Fisheries, which has legislative jurisdiction over the Coast Guard.

It has been my pleasure to serve on that committee.

I know the hour is late. If Members will give me their attention, we will get home that much earlier, or wherever Members might care to go.

Let me make it crystal clear that I am not one whose intention or objective is to kill the bill. I attempted to make clear in my appearance before the Rules Committee, in connection with bringing this particular legislation to the floor and again when we were before the Rules Committee to get a rule on a bill which would provide for an independent maritime agency, that during the 10 years I had served as a member of the Committee on Merchant Marine and Fisheries I had come to the inescapable and unalterable conclusion that there was a necessity for a single independent maritime agency.

I said that by reason of the appearances I have made before the Interstate Commerce Commission in behalf of various and sundry modes of transportation in my State and in my district I believed there was a necessity for a central organization to house those domestic modes of transportation.

I say again, in the lateness of this hour, that the Coast Guard, the oldest semimilitary organization in this Nation, with its ramifications involving its ocean missions and purposes as related to the maritime industry and to the Bureau of Customs, ought to remain where it has been historically.

I challenge my good friends—and I say this with affection—on the fine Committee on Government Operations to show me in the hearing record or in the report, and particularly in the report, the justification for putting the Coast Guard in the Department of Transportation, other than its relationship to the maritime industry, which this committee in its judgment

saw fit to take out some 45 minutes ago.

If Members have copies of the committee report before them and will turn to page 56, they can hurriedly read the justifications for putting it in this Department. I call attention particularly to the rather unusual language we find in concluding the statement on the Coast Guard.

It is expected that in most cases the determination of cause or probable cause will continue to be made by the Commandant.

Then it says again:

It is expected most cases reviewed on appeal will be decided by the Commandant under delegated authority after it has been given to the Secretary.

Mr. Chairman, I know the other Members may want to comment on this amendment, so for that reason I yield back the balance of my time and ask your support of this amendment.

Mr. FASCELL. Mr. Chairman, I rise in opposition to the amendment.

(Mr. FASCELL asked and was given permission to revise and extend his remarks.)

Mr. FASCELL. Mr. Chairman, I do not doubt for one moment the sincerity of the distinguished gentleman from North Carolina who proposes this amendment. I will say usually in most cases, as in this one, there are three sides to every proposition. Fundamentally, though I think we have to examine a basic principle which is that you either believe you can have an overall national transportation policy, or you do not. Obviously there is a difference of opinion in this Chamber on that question.

I still adhere to the idea, and it does make good sense with a growing nation, and with the problems which we have in transportation, to try to evolve an overall transportation policy. I still think it makes good sense if you possibly can to give the managers of the various transportation agencies the opportunity to coordinate their efforts at an executive level, particularly when the Chief Executive has demonstrated that this would be a useful tool, and also when, in the words of the managers of this particular agency, the Coast Guard, they detect no problem and, as a matter of fact, support wholeheartedly this setup.

I know I raised this question myself when the first thought came of the Department of Transportation, because of the background and the tradition of the Coast Guard and the Treasury Department. I personally discussed this very issue with some of my very good friends in the Coast Guard, to detect whether or not it would, from a management and administration standpoint, really make a difference.

I was assured, after talking informally and privately, that there was some understandable and natural reluctance to move from Treasury, but the move was supported from the standpoint of administration, from the view of management, and in view of the desire to provide the people of this country the bene-

fit of an overall national transportation policy.

The Coast Guard witnesses so testified in the hearings that they were in favor of putting the Coast Guard in the Department of Transportation.

I know you can raise all kinds of arguments and discussions, and the able gentleman from North Carolina has done that, as to why it should not be in the Department of Transportation. I would simply add this: You can make the same kind of argument for any agency which is included or sought to be included in this bill. Then you would not have any bill at all.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. Certainly, I will yield to our distinguished and able majority leader.

Mr. ALBERT. I want to associate myself with the gentleman and commend him on his statement. The statement was made that since the Committee in its wisdom did strike out the Maritime Agency, that the relation between this agency and that is such that this should also go out, but historically, if I understand it correctly, these two agencies have not been together. The Maritime Agency has been separate and has been in the Commerce Department, while this agency has been in the Treasury Department. So I do not think there is any merit to that argument.

Mr. FASCELL. I thank the gentleman for his observation. Of course, I quite agree it is simply a question as to whether or not there is an effort to achieve an overall national transportation policy, and have it coordinated at a high enough level to meet and to solve the problems that we must meet, and we must solve, for this Nation. It is a question as to whether or not you want to put one of the largest and one of the most important agencies under this new executive department.

The Coast Guard says they can operate, and they have testified they can operate efficiently. There is no sound reason why they could not continue their outstanding operations.

Therefore, I say we ought to give them that opportunity. After all, the action we have taken previously here today with respect to the Maritime Administration may be reviewed at another time, and we may have a different feeling about it.

I respectfully submit the amendment ought to be defeated.

Mr. LENNON. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from North Carolina.

Mr. LENNON. Mr. Chairman, will the gentleman from Florida tell me to what degree the Coast Guard is a mode of transportation, domestic or otherwise?

Mr. FASCELL. The Coast Guard's principal civilian missions—search and rescue, aid to navigation, oceanography icebreaking, and maritime safety—are all directly oriented to the field of transportation safety, both on the sea and in the air. The Coast Guard has many day-to-day contacts with other safety oriented agencies of the Government which will

become members of the Department of Transportation.

So when we talk about transportation safety, we have here under consideration one of the largest agencies engaged in transportation safety.

Mr. Chairman, I know that the gentleman from North Carolina means well and meant well when he said that he did not want to gut the bill. However, that is what the amendment does; and the gentleman knows that. Even I know that.

Mr. LENNON. Mr. Chairman, will the gentleman yield further?

Mr. FASCELL. I yield further to the gentleman from North Carolina.

Mr. LENNON. Is the able gentleman from Florida [Mr. FASCELL] a member of the committee which pointed out the fact that the Coast Guard should not be fragmented? One never knows when it is going to be called into the national defense picture, upon order of the President of the United States. However, the gentleman says to transfer it, lock, stock, and barrel, from the Treasury Department to the Secretary of this agency.

The CHAIRMAN. The time of the gentleman from Florida has expired.

(Mr. FASCELL by unanimous consent (at the request of Mr. LENNON) was given permission to proceed for 1 additional minute.)

Mr. LENNON. Mr. Chairman, will the gentleman yield further?

Mr. FASCELL. I yield further to the gentleman from North Carolina.

Mr. LENNON. And, then, in the same language the Secretary transfers all of this authority back to the Commandant. That is just a question of housekeeping, is it not?

Mr. FASCELL. It may be a question of housekeeping but it makes good administrative sense from a management standpoint when you are trying to evolve an overall picture. The Coast Guard is not being fragmented. Of course, you can leave Coast Guard in Treasury or you can move them some place else. But that is not the issue. The issue is, can the Coast Guard keep doing the excellent work it has been doing if moved; they say yes, the President says yes, and this committee says they can.

Mr. LENNON. Mr. Chairman, will the gentleman yield further?

Mr. FASCELL. I yield further to the gentleman from North Carolina.

Mr. LENNON. This amendment would not have been offered if the House had not taken the action it did on the Maritime Administration. It would not have been relevant.

Mr. FASCELL. I do not know about that.

Mr. LENNON. I know it would not, because I had the responsibility in the committee of offering the amendment.

Mr. FASCELL. I know the gentleman is very sincere, but I do not see the relevancy of this.

Mr. LENNON. For how many years has the gentleman served on the legislative committee authorizing for the Coast Guard?

Mr. FASCELL. The gentleman from North Carolina has served on that com-

mittee since he has been in the Congress but I do not bow to anyone, however, for my support of, and my interest in the proper and efficient operation of the Coast Guard.

Mr. BOGGS. Mr. Chairman, I rise in opposition to the amendment.

(Mr. BOGGS asked and was given permission to revise and extend his remarks.)

Mr. McCORMACK. Mr. Chairman, will the gentleman yield to me?

Mr. BOGGS. I would be very happy to yield to the distinguished Speaker.

Mr. McCORMACK. Mr. Chairman, I think one of the most effective arguments against this amendment was offered by my friend, the gentleman from North Carolina [Mr. LENNON], who offered the amendment when he said that if the Maritime Administration had not been stricken out of the bill, he would not have offered his amendment. There is certainly no relationship between both agencies.

Mr. BOGGS. I thank the distinguished Speaker. The distinguished Speaker has made in one sentence the main point I want to make in my remarks.

Mr. Chairman, the committee in its wisdom has seen fit to strike the maritime section from this bill.

The arguments in connection with the maritime section of this bill have absolutely no relevance insofar as the Coast Guard is concerned.

Let us take a look at it. The maritime industry of this country divides itself into many segments. In the first place, it is private in operation, 100 percent; granted that some segments of the American maritime industry are subsidized by the Government, but those segments of the American maritime industry that are subsidized are private in their operations.

That is only a part of the American maritime industry. Much of it is not subsidized in any manner whatsoever.

In addition to that, the American shipbuilding industry, which is a part of the American maritime industry, is partly subsidized and partly not.

More than that, much of the commerce of our country—and this was one of the main arguments for striking the maritime section—is carried in foreign bottoms.

The whole issue involved in the maritime section was whether or not this vital industry, so important to the security of our country, which I support fully, so necessary both in peace and in war, should be receiving more attention at the national level.

And the argument is that if you have a separate agency, ultimately it may receive that attention. I hope that it does. I will continue to devote my best effort to a strong American merchant marine.

But let us take a look at the Coast Guard. The Coast Guard is part and parcel of the Government of the United States. It is a fine and honorable service but it is entirely a Government operation. The Coast Guard in peacetime traditionally has been under the supervision of the Treasury Department, not under the supervision of the Depart-

ment of Commerce or an independent agency or some unrelated agency. It has been part of the Treasury Department. In time of war it has been part of the Military Establishment of the Government of the United States, and has normally been moved from the Treasury Department and militarized and put in the Defense Establishment.

Now to make any kind of alliance between this quasi-military operation with one which is entirely private in its functions is just not logical nor sensible.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. BOGGS. I yield to the distinguished chairman of the committee.

Mr. HOLIFIELD. Mr. Chairman, I want to thank the gentleman for his remarks.

When Vice Adm. William D. Shields, speaking for the Commandant of the U.S. Coast Guard, came before the committee, he said this:

Inclusion in the Department of Transportation would be advantageous to us because:

(1) The Coast Guard will be a part of an executive department whose sole objective is in an area in which we operate continually, that is, transportation and transportation safety.

(2) The Coast Guard will be in the mainstream of development of national transportation policy.

(3) Coast Guard prestige at international conferences dealing with transportation will be enhanced by our being an integral part of the Department of Transportation.

(4) The resulting closer relationships with other elements in the Department of Transportation will improve our capabilities.

(5) Coast Guard personnel would serve in positions in the Department of Transportation at high levels of policymaking and administration.

If this legislation is enacted, the Coast Guard will be a dynamic, productive element in the new Department and will further the President's program to achieve safe, efficient, fast, and convenient transportation. The traditional high quality performance of the Coast Guard developed in 176 years of service to country and humanity will be continued in the new Department. I urge you give favorable consideration to this bill.

Mr. BOGGS. Just to emphasize the point, the gentleman from California was quoting the Commandant of the Coast Guard, was he not?

Mr. HOLIFIELD. He was quoting the Vice Commandant.

Mr. BOGGS. In other words, the man directly concerned with this legislation.

Mr. HOLIFIELD. And may I say in the statute itself we said:

The Coast Guard is hereby transferred to the Department, and there are hereby transferred to and vested in the Secretary all functions, powers, and duties, relating to the Coast Guard, of the Secretary of the Treasury and of other officers and offices of the Department of the Treasury.

And then we adopted an amendment offered by one of the gentlemen who is here, that the Commandant of the Coast Guard shall report directly to the Secretary.

Then in section (2):

(2) Notwithstanding the transfer of the Coast Guard to the Department and the transfer to the Secretary of the functions, powers, and duties, relating to the Coast Guard to the Department and the transfer

to the Secretary of the functions, powers, and duties, relating to the Coast Guard, of the Secretary of the Treasury and of other officers and offices of the Department of the Treasury, effected by the provisions of paragraph (1) of this subsection, the Coast Guard, together with the functions, powers, and duties relating thereto, shall operate as a part of the Navy, subject to the orders of the Secretary of the Navy, in time of war or when the President shall so direct, as provided in section 3 of title 14, United States Code.

Mr. BOGGS. Mr. Chairman, I might say to the gentleman that I have the great privilege and responsibility of serving on the Committee on Ways and Means which has jurisdiction over the Treasury Department of our country. But the idea that you would keep the Coast Guard in the tax-collecting division of the Government of the United States, whose main function is to provide for the revenues; this just does not make any sense at all.

The eighth regional headquarters of the Coast Guard are located in my city. I know these people personally. I admire them. I respect them. I think the Coast Guard does a magnificent job, but it does not belong in the Treasury Department.

It got in the Treasury Department back in the early days of pirates at the inception of our country, to protect our country and its revenue. During prohibition it was used as a device to keep them from moving illicit spirits into the country. Over the years it has served with distinction in life savings, in defense, in the active military. It is a great and honorable service.

Mr. DOWNING. Mr. Chairman, I move to strike out the last word and I rise in support of the amendment.

(Mr. DOWNING asked and was given permission to revise and extend his remarks.)

Mr. DOWNING. Mr. Chairman, I am not going to take all my time, but I ask Members to think about this question: How in the world can you classify the Coast Guard as transportation? This is not transportation. Who are they transporting? Members of the Coast Guard. It makes as much sense to include space because the astronauts are being transported. Let us get back to the reason why the Coast Guard should not be in the bill. Who does the Coast Guard serve? The Coast Guard serves the maritime. The maritime is now out of this bill, and the Coast Guard should be out of it. It falls in line as a matter of logic.

As for the Coast Guard, its inclusion in such a department would lend undue emphasis to what is essentially a secondary aspect of its operations. True it is that the agency is responsible for aids to navigation on domestic waters. It also has the responsibility for the safety of our expanding boating population, but sight must not be lost of its manifold international responsibilities. It is the chief seagoing law enforcement agency of our Government. Its activities in this field embrace the policing of treaties covering fisheries, enforcement of Customs regulations, maintenance of loran and other naviga-

tion aids in a worldwide network, ice-breaking from the Arctic to the Antarctic, operation of international ice patrol vessels, and inspection of seagoing vessels, both domestic and foreign.

Only last month, it very capably represented the United States in a session of the Maritime Safety Committee of the Intergovernmental Maritime Consultative Organization in a meeting which substantially upgraded fire safety regulations with respect to passenger vessels. As a result of its efforts, future ocean cruise passengers can expect that the chances of another *Yarmouth Castle* tragedy will be greatly minimized. While, of course, this is a safety function, and thus one which might fit into the pattern of the new Department, it is a function on an international level, and one which seems to have little or no relation in fact to what are the essentially domestic functions of the new agency.

There is one other function of the Coast Guard which is inconsistent with the aims of this bill. In time of war it is integrated with the Navy and its men and ships serve side by side with vessels of the Navy throughout the world. At this moment, 26 Coast Guard vessels with their crews are rendering valiant service in Vietnam on coastal patrol. Its vessels are designed with their wartime function in mind and they carry communications and other equipment compatible with Navy equipment and their crews are trained for speedy amalgamation into appropriate Navy services in wartime. The manifold nature of the services and missions of the Coast Guard in which domestic safety functions are but a minor part, constitute a strong argument against inclusion of this service in what is essentially a domestic transportation organization.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. DOWNING. I yield to the gentleman from California.

Mr. HOLIFIELD. Does not the Coast Guard serve all shipping and aviation, naval aviation, perform rescue service, and all of that? That is with reference not only to maritime cargo ships but also passenger ships of all kinds?

Mr. DOWNING. There is no question about it. It serves the maritime. You put your finger on it. It serves the maritime interests of the Nation, domestic and international. But maritime is out of the bill now. Therefore, there is no reason for the Coast Guard to be in it.

Mr. HOLIFIELD. But they are completely separate and independent agencies, and they do an independent job. As the gentleman knows, there are Coast Guard ships in Vietnam. In time of war they have certain other duties.

Mr. DOWNING. This is not a transportation service they are performing in Vietnam. This is actually Coast Guard work, patrol work they are doing. Indeed, it is excellent work. But this is a wartime activity of the Coast Guard. In no way can we think of it as a transportation field.

Mr. HOLIFIELD. Does the gentleman believe the FAA is a form of transportation?

Mr. DOWNING. Yes; the FAA is a form of transportation.

Mr. ADDABBO. Mr. Chairman, will the gentleman yield?

Mr. DOWNING. I yield to the gentleman from New York.

Mr. ADDABBO. The Coast Guard works under the Treasury Department as a law-enforcing body, and that is why it is in the Treasury?

Mr. DOWNING. That is the reason it is in the Treasury. We are not providing for law-enforcement officers here. The Coast Guard is a law-enforcement arm of the Treasury, where it has done its work since 1789.

Mr. MAILLIARD. Mr. Chairman, will the gentleman yield?

Mr. DOWNING. I yield to the gentleman from California.

Mr. MAILLIARD. I thank the gentleman for yielding. I think in fairness it must be said that the Coast Guard is a self-contained entity. From an administrative point of view, you can put it in the Department of Commerce, the Department of Defense, or anywhere you want to, but they are self-contained.

In all the discussions, those of the distinguished majority whip and my friend from California, I have not heard a single argument as to why it belongs in the Department of Transportation. There was some sense to it because it is closely allied to the maritime, but it also performs functions for the Department of the Treasury. It is a self-contained outfit that performs functions that cut across many departmental lines. The main reason for putting it in the Department of Transportation was gone when we elected to take out the maritime.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. DOWNING. I yield to the gentleman from California.

Mr. HOLIFIELD. The reason is that it has a very important safety function, and the safety function in this bill is a very important function. We believe that because of its excellence as a safety organization, inspecting ships and all that sort of thing, including rescue operations, that it can teach some of those principles to some of the other safety groups that are in the bill. The Commandant testified that it would be of help to him in international conferences to be part of this national transportation department.

Mr. DOWNING. I daresay he was saying that that would be so if the maritime were included, because that is the field he serves, the maritime. I think if you think about it, you will come to the conclusion that the Coast Guard should not be in the Department; it should remain in the Department of the Treasury where it has performed so well.

Mr. CHAMBERLAIN. Mr. Chairman, I move to strike the requisite number of words. I advise my colleagues that I do not intend to take the full 5 minutes.

First, I certainly do not challenge the motives of my colleague from North Carolina, for I have worked with him for many years on Coast Guard matters. I have served on the Coast Guard Board of Visitors with him, and I have nothing but the greatest admiration for his devotion to the Coast Guard.

However, as a Reserve Coast Guard officer myself, one who has served 4 years with this service during World War II, and currently a Reserve officer, I could not help but anticipate that this question might arise, and I have tried with diligence to determine precisely what the Coast Guard felt was in their own best interests.

The official position that the Coast Guard has taken is that they prefer to be transferred to the Department of Transportation.

I have made efforts to try to get behind the official position and see if somewhere there were other reasons why the Coast Guard should not be transferred. My only concern has been to determine what is in the best interests of the Coast Guard. I must advise my colleagues that from my diligent inquiries over a period of weeks and months, I have not been able to determine that the Coast Guard finds any advantage in not being transferred to the Department of Transportation. So it is for that purpose that I must oppose the amendment offered by my colleague from North Carolina.

Mr. LENNON. Mr. Chairman, will the gentleman yield?

Mr. CHAMBERLAIN. I yield to the gentleman from North Carolina.

Mr. LENNON. Mr. Chairman, let me say in deference to all the people who feel that they must go along with this, I happen to know the feeling of the Coast Guard officials before this bill came up. The official and unofficial position of the Coast Guard was, as long as they believed the Maritime Administration was going to stay in the Department of Transportation, that they would go along. They cannot say now they want to come out, but I do know, and I believe in my honest judgment, they do want to come out now that the Maritime Administration is out.

Mr. CHAMBERLAIN. I must differ with my colleague. I do not believe that is the case.

Mr. ERLNBORN. Mr. Chairman, I rise in opposition to the amendment and I move to strike the requisite number of words.

Mr. Chairman, I will not take the full 5 minutes, but I will take only a minute to say that there was absolutely no testimony before our committee from anyone that this was not a desirable move to transfer the Coast Guard to the Department of Transportation. In fact, the Coast Guard took the position that it was to its own best interests, and it would be an advantage for it to be in the Department of Transportation.

I see no substance to the argument that the Maritime Administration is not to be in the Department of Transportation, so the Coast Guard should not be. They are not together now. Presently the Maritime Administration is in the Department of Commerce, so I believe, if there was logic to the position of those who are advancing this motion, they would say the Coast Guard should be transferred to the Department of Commerce.

Of course, the ultimate attempt will be to have the Maritime Administration be

independent. So I believe really their ultimate goal should be to make the Coast Guard independent and not have it in the Department of the Treasury or Department of Transportation or Department of Commerce. But I believe, to carry this to its logical and extreme position, this shows how silly the argument is in the first place. There is no real reason to oppose the transfer of the Coast Guard to the Department of Transportation where certainly they have a lot more relevance than they ever had in the Department of the Treasury.

Mr. LENNON. Mr. Chairman, will the gentleman yield?

Mr. ERLNBORN. I yield to the gentleman from North Carolina.

Mr. LENNON. Mr. Chairman, the gentleman stated that no one testified before the committee on behalf of taking it out. Who were the witnesses before your committee who urged taking out the Maritime Administration?

Mr. ERLNBORN. The gentleman raises a point, which I would really not care to go into in great depth.

Mr. LENNON. I believe we are entitled to know, since the gentleman is drawing that comparison.

Mr. ERLNBORN. The argument was made but not very forcibly.

Mr. GROSS. Mr. Chairman, I move to strike the requisite number of words.

(Mr. GROSS asked and was given permission to revise and extend his remarks.)

Mr. GROSS. Mr. Chairman, I rise in support of the amendment. I want to say that the Coast Guard has compiled a splendid record under the Treasury Department. I can see no reason now for transferring this organization to a Department of Transportation. Let the Coast Guard remain where it is and where it can continue the splendid record of service it has given this Nation for so many years.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina [Mr. LENNON].

The question was taken; and on a division (demanded by Mr. LENNON) there were—ayes 73, noes 107.

So the amendments were rejected.

AMENDMENT OFFERED BY MR. HENDERSON

Mr. HENDERSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HENDERSON: On page 28, strike out lines 17 through 24, and insert in lieu thereof the following:

"(b) (1) Notwithstanding any provision of this Act or other law, a member of the Coast Guard on active duty may be appointed, detailed, or assigned to any position in the Department other than Secretary, Under Secretary, and Assistant Secretary for Administration.

"(2) Subject to the civil service laws, the Classification Act of 1949, and the Dual Compensation Act of 1964, a retired member of the Coast Guard may be appointed to any position in the Department."

(Mr. HENDERSON asked and was given permission to revise and extend his remarks.)

[Mr. HENDERSON addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. HENDERSON. I am happy to yield to the distinguished gentleman from California.

Mr. HOLIFIELD. I wish to say that this is a perfecting amendment. We have worked very closely with the gentleman from North Carolina [Mr. HENDERSON] and his staff.

We have accepted several amendments, that are in the bill. This is an amendment which came up later. It has to do with clearing up some ambiguity on dault compensation.

We are very happy to accept the gentleman's amendment, and we thank him for his cooperation.

Mr. HENDERSON. I thank the gentleman.

I have discussed this with the minority, and I understand it will be acceptable to that side.

Mr. JONES of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. HENDERSON. I am happy to yield to my colleague from North Carolina.

(Mr. JONES of North Carolina asked and was given permission to revise and extend his remarks.)

Mr. JONES of North Carolina. Mr. Chairman, I rise in support of the amendment to remove the Coast Guard from this bill. For 2 weeks I have observed the charts in the Speaker's lobby showing the different agencies and Departments to be placed under the Department of Transportation.

After serious consideration, I cannot by any stretch of the imagination, find it appropriate that any branch of our Armed Services, which admittedly the Coast Guard is, should be under control or administration of a Department that is supervising freight trains, the trucking industry, commercial airlines and natural gas lines.

To me, Mr. Chairman, if the Coast Guard is to be placed under this Department, then I respectfully submit that the Navy should also be under the Department of Transportation, for one is as justified as the other.

The Coast Guard has a glorious history both in time of peace and war. It is definitely, beyond a question, a part of our Armed Services. I could understand if an effort were made to place the Coast Guard under the Department of Defense, but I cannot concur in placing this vital part of our national defense, both in time of peace and war, under this new Cabinet post.

I, therefore, enthusiastically support the amendment to delete the Coast Guard from the provisions of this bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina.

The amendment was agreed to.

Mr. CURTIS. Mr. Chairman, I move to strike the last word.

I take this time and interject myself into this debate—a little bit surprising to me—because I will be offering a motion to recommit. It will contain the Erlenborn amendment, which has to do with aircraft safety.

This is an issue with which I have been concerned for many, many years. I remember, in World War II, when I was a member of the aircraft safety board of the Atlantic Fleet Naval Air Force, the bitter fight conducted then to keep aircraft safety apart from administration.

There was quite a bit of fight in trying to establish first of all the necessity of separating aircraft safety from administration, and then, after having accomplished this, keeping the two functions separate. This is a very important point because as you tie in safety with ordinary administration we found that those involved in aircraft accidents were not so free in explaining what had happened. However, if you separate the discipline, as it were, from the responsibility of investigating accidents, we found that we could get to the bottom of these matters with a great deal more accurate results. So I have followed this legislation with this in mind. This happens to be an instance where if this motion to recommit with instructions carries I will vote for the bill. On the other hand, I think the issue of aircraft safety is so important that if this does not carry I would vote against the bill.

Finally let me say this: Everyone involved in aircraft safety, all of the aviation people, have supported this kind of an amendment for preserving the independence of safety investigation. I think it behooves the House to follow the recommendations of those who are engaged in this area, and are knowledgeable. Certainly with the great interest that this Nation, that all of us, have in aircraft safety, this should be done.

Mr. CLARENCE J. BROWN, JR. Mr. Chairman, will the gentleman yield?

Mr. CURTIS. I yield to the gentleman.

Mr. CLARENCE J. BROWN, JR. The problem is that aircraft travel in our country is increasing at a rapid pace, and the FAA, which will move into the new Department of Transportation under the Federal Aviation Agency, is going to have to meet this problem head on in the months and years ahead by making regulations for safety that are going to be so important in maintaining the excellent air safety record which we have enjoyed since 1958. The accident investigation body, if I understand your motion correctly, will be located in a separate safety board. Is that not correct?

Mr. CURTIS. That is correct.

Mr. CLARENCE J. BROWN, JR. So it can in effect, when it speaks to accidents in the airfield, be critical of the Federal Aviation Agency with a free hand.

Mr. CURTIS. That is exactly the point. You do not want to have the goat watching the cabbage patch.

The CHAIRMAN. Under the rule the Committee rises.

Accordingly, the Committee rose, and the Speaker having resumed the chair, Mr. PRICE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 15963) to establish a Department of Transportation, and for other pur-

poses, pursuant to House Resolution 935, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule the previous question is ordered.

Is a separate vote demanded on any amendment?

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that further proceedings on this bill may be put over until tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. CURTIS. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

Is a separate vote demanded on any amendment?

Mr. ERLBORN. Mr. Speaker, I demand a separate vote on the Garmatz amendment.

The SPEAKER. Is a separate vote demanded on any other amendment?

If not, the Chair will put them en gros.

The amendments were agreed to.

The CHAIRMAN. The Clerk will report the so-called Garmatz amendment.

The Clerk read as follows:

On page 4, beginning on line 5, strike out "(3) a Federal Maritime Administration, and (4)" and insert in lieu thereof "and (3)".

On page 14, strike out line 1 and all that follows down through line 14 on page 15. On page 15, line 15, strike out "(6)" and insert in lieu thereof "(5)".

On page 37, line 25, strike out "(82), and (89)" and insert in lieu thereof "and (82)".

On page 38, strike out lines 3 through 6. Redesignate subsections (g) and (h) of section 10 as (f) and (g), respectively.

Mr. ERLBORN (interrupting the reading of the amendment). Mr. Speaker, I ask unanimous consent that further reading of the amendment be dispensed with, and that the amendment be considered as read, and printed in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The SPEAKER. The question is on the amendments.

The question was taken and the Speaker announced that the "ayes" appeared to have it.

Mr. GERALD R. FORD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 261, nays 117, answered "present" 3, not voting 51, as follows:

[Roll No. 251]

YEAS—261

Abbott	Bates	Byrnes, Wis.
Abernethy	Belcher	Cahill
Adams	Bell	Carey
Addabbo	Bennett	Carter
Anderson, III.	Berry	Casey
Anderson,	Betts	Cederberg
Tenn.	Boggs	Celler
Andrews,	Boland	Chamberlain
George W.	Bolton	Chelf
Andrews,	Bow	Clancy
Glenn	Broomfield	Clausen,
Andrews,	Brown, Clar-	Don H.
N. Dak.	ence J., Jr.	Clawson, Del
Arends	Broyhill, Va.	Clevenger
Ashbrook	Buchanan	Colmer
Aspinall	Burke	Conable
Ayres	Burton, Calif.	Conte
Barrett	Byrne, Pa.	Cooley

Corbett	Hawkins	Pike
Cramer	Helstoski	Pirnie
Curtin	Henderson	Poff
Curtis	Herlong	Pool
Daddario	Hicks	Powell
Dague	Howard	Quie
Daniels	Hull	Quillen
Davis, Ga.	Hungate	Randall
Davis, Wis.	Huot	Reid, Ill.
de la Garza	Hutchinson	Reifel
Delaney	Irwin	Rhodes, Ariz.
Dent	Jennings	Robison
Derwinski	Joelson	Rodino
Devine	Johnson, Pa.	Rogers, Fla.
Dickinson	Jones, N.C.	Roncallo
Dingell	Karsten	Rooney, N.Y.
Dole	Karth	Rooney, Pa.
Donohue	Keith	Rosenthal
Dorn	Kelly	Rostenkowski
Downing	King, Utah	Roudebush
Dulski	Kornegay	Rumsfeld
Duncan, Oreg.	Kunkel	Ryan
Duncan, Tenn.	Kupferman	Satterfield
Dwyer	Laird	St. Germain
Edmondson	Langen	St. Onge
Edwards, Ala.	Latta	Saylor
Edwards, La.	Leggett	Schisler
Ellsworth	Lennon	Schneebeli
Erlenborn	Lipscomb	Schweiker
Fallon	Long, Md.	Secrest
Farbstein	Love	Selden
Farnsley	McCarthy	Shipley
Feighan	McCulloch	Shriver
Findley	McDade	Sickles
Fino	McGrath	Skubitz
Flynt	Macdonald	Slack
Fogarty	MacGregor	Smith, Calif.
Foley	Machen	Smith, N.Y.
Ford, Gerald R.	Mackie	Smith, Va.
Ford,	Madden	Stafford
William D.	Mailliard	Stanton
Fountain	Marsh	Stubblefield
Frelinghuysen	Martin, Mass.	Sullivan
Friedel	Martin, Nebr.	Sweeney
Fulton, Pa.	Mathias	Talcott
Garmatz	Matsunaga	Taylor
Gettys	May	Tenzer
Gialmo	Meeds	Thompson, N.J.
Gibbons	Miller	Thompson, Tex.
Gilbert	Minish	Thompson, Wis.
Gilligan	Minshall	Tuck
Gonzalez	Mize	Tunney
Goodell	Moeller	Tupper
Grabowski	Moore	Ullman
Gray	Moorhead	Waggonner
Green, Oreg.	Morgan	Waldie
Green, Pa.	Morse	Watkins
Grider	Morton	Watson
Griffiths	Mosher	Whalley
Gross	Multer	White, Idaho
Gubser	Murphy, N.Y.	Whitener
Gurney	Natcher	Whitten
Hagen, Calif.	Nix	Widnall
Haley	O'Brien	Williams
Hall	O'Hara, Mich.	Wilson, Bob
Halpern	Olsen, Mont.	Wilson,
Hanley	Passman	Charles H.
Hansen, Idaho	Patten	Wolff
Harsha	Pelly	Wyatt
Harvey, Ind.	Pepper	Wyder
Harvey, Mich.	Perkins	Younger
Hathaway	Philbin	

NAYS—117

Albert	Fuqua	Michel
Ashley	Gathings	Mills
Bandstra	Greigg	Monagan
Beckworth	Hamilton	Morris
Bingham	Hanna	Moss
Bolling	Hansen, Iowa	Nedzi
Brademas	Hardy	Nelsen
Bray	Hays	O'Hara, Ill.
Brook	Hechler	Olson, Minn.
Brooks	Holifield	O'Neal, Ga.
Brown, Calif.	Holland	Patman
Broyhill, N.C.	Ichord	Pickle
Burleson	Jacobs	Poage
Cabell	Jarman	Price
Callan	Johnson, Calif.	Pucinski
Cameron	Johnson, Okla.	Purcell
Clark	Jonas	Race
Cleveland	Jones, Ala.	Redlin
Collier	Jones, Mo.	Rees
Conyers	Kastenmeier	Reid, N.Y.
Craley	Kee	Reuss
Culver	King, Calif.	Rhodes, Pa.
Dawson	Kirwan	Rivers, Alaska
Denton	Kluczynski	Roberts
Diggs	Long, La.	Rogers, Tex.
Dow	McClory	Ronan
Dowdy	McDowell	Roush
Dyal	McFall	Roybal
Everett	McVicker	Scheuer
Farnum	Mackay	Schmidhauser
Fascell	Mahon	Sikes
Fraser	Matthews	Sisk

Smith, Iowa	Teague, Tex.	Walker, N. Mex.
Springer	Todd	Watts
Staggers	Trimble	White, Tex.
Stalbaum	Udall	Willis
Steed	Vanik	Wright
Stephens	Vigorito	Yates
Stratton	Vivian	Young

ANSWERED "PRESENT"—3

Annunzio	Ottinger	Resnick
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NOT VOTING—51

Adair	Grover	Murray
Ashmore	Hagan, Ga.	O'Konski
Baring	Halleck	O'Neill, Mass.
Battin	Hansen, Wash.	Reinecke
Blatnik	Hébert	Rivers, S.C.
Burton	Horton	Rogers, Colo.
Callaway	Hosmer	Scott
Cohelan	Keogh	Senner
Corman	King, N.Y.	Teague, Calif.
Cunningham	Krebs	Thomas
Edwards, Calif.	Landrum	Toll
Evans, Colo.	McEwen	Tuten
Evins, Tenn.	McMillan	Utt
Fisher	Martin, Ala.	Van Deerlin
Flood	Mink	Walker, Miss.
Fulton, Tenn.	Morrison	Weltner
Gallagher	Murphy, Ill.	Zablocki

So the amendments were agreed to.
The Clerk announced the following pairs.

On this vote:

Mr. Keogh for, with Mr. Resnick against.
Mr. O'Neill of Massachusetts for, with Mr. Annunzio against.
Mr. Hébert for, with Mr. Ottinger against.
Mr. Reinecke for, with Mr. Cunningham against.
Mr. Horton for, with Mr. Burton of Utah against.
Mrs. Mink for, with Mr. Scott against.
Mr. Murphy of Illinois for, with Mr. Weltner against.
Mr. Morrison for, with Mr. Murray against.

Until further notice:

Mr. Hagan of Georgia with Mr. Martin of Alabama.
Mr. Van Deerlin with Mr. Utt.
Mrs. Hansen of Washington with Mr. Whalley.
Mr. Rivers of South Carolina with Mr. Adair.
Mr. Corman with Mr. Teague of California.
Mr. Zablocki with Mr. McEwen.
Mr. Rogers of Colorado with Mr. Halleck.
Mr. Cohelan with Mr. Hosmer.
Mr. Baring with Mr. Grover.
Mr. Blatnik with Mr. O'Konski.
Mr. Ashmore with Mr. Walker of Mississippi.
Mr. Edwards of Louisiana with Mr. Callaway.
Mr. Flood with Mr. King of New York.
Mr. McMillan with Mr. Landrum.
Mr. Dent with Mrs. Thomas.
Mr. Fulton of Tennessee with Mr. Gallagher.
Mr. Edwards of California with Mr. Senner.
Mr. Krebs with Mr. Tuten.

Mr. TRIMBLE and Mr. HANSEN of Iowa changed their votes from "yea" to "nay."

Mr. OTTINGER. Mr. Speaker, I have a live pair with the gentleman from Louisiana [Mr. HÉBERT]. If he had been present he would have voted "yea." I voted "nay." I withdraw my vote and vote "present."

Mr. ANNUNZIO. Mr. Speaker, I have a live pair with the gentleman from Massachusetts [Mr. O'NEILL]. If he had been present he would have voted "yea." I voted "nay." I withdraw my vote and vote "present."

Mr. RESNICK. Mr. Speaker, I have a live pair with the gentleman from New York [Mr. KEOGH]. If he had been present he would have voted "yea." I voted

"nay." I withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT

Mr. CURTIS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. CURTIS. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. CURTIS moves to recommit the bill, H.R. 15963, to the Committee on Government Operations, with instructions to report the same back to the House forthwith, with the following amendment:

On page 4, lines 12 through 17, delete subsection "(f)";

On page 6, following line 20, insert the following new subsection, and reletter the subsequent subsections accordingly:

"(b) There are hereby transferred to and vested in the Board all functions, powers, and duties of the Civil Aeronautics Board, and of the Chairman, members, officers, and offices thereof under titles VI and VII of the Federal Aviation Act of 1958 (72 Stat. 776, 49 U.S.C. 1421 et seq.); and

On page 17, lines 1 through 7, delete subsection "(d)" and reletter the subsequent subsections accordingly.

Mr. HOLIFIELD. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

Mr. GERALD R. FORD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 143, nays 238, not voting 51, as follows:

[Roll No. 252]

YEAS—143

Abernethy	Colmer	Jonas
Anderson, Tenn.	Conable	Kastenmeier
Andrews, George W.	Conte	Keith
Andrews, Glenn	Corbett	Kunkel
Andrews, N. Dak.	Cramer	Kupferman
Arends	Curtin	Laird
Ashbrook	Curtis	Langen
Ayres	Dague	Latta
Bates	Davis, Wis.	Lipscomb
Belcher	Derwinski	Long, La.
Bell	Devine	McClory
Berry	Dickinson	McCulloch
Betts	Dole	McDade
Bolton	Dulski	Macdonald
Bow	Duncan, Tenn.	MacGregor
Bray	Dwyer	Mailliard
Brock	Edwards, Ala.	Marsh
Broomfield	Edwards, La.	Martin, Mass.
Brown, Clarence J., Jr.	Ellsworth	Martin, Nebr.
Broyhill, N.C.	Erlenborn	Mathias
Broyhill, Va.	Findley	May
Buchanan	Ford, Gerald R.	Michel
Byrnes, Wis.	Frelinghuysen	Minshall
Cahill	Fulton, Pa.	Mize
Carter	Gathings	Moeller
Cederberg	Goodell	Moore
Chamberlain	Gross	Morse
Clancy	Gubser	Morton
Clausen, Don H.	Gurney	Mosher
Clawson, Del	Haley	Nelsen
Cleveland	Hall	Passman
Collier	Hansen, Idaho	Pelly
	Harsha	Pickle
	Harvey, Ind.	Pirnie
	Harvey, Mich.	Pool
	Henderson	Quie
	Hutchinson	Quillen
	Johnson, Pa.	

Reid, Ill.	Selden	Waggonner
Reifel	Shriver	Watkins
Rhodes, Ariz.	Skubitz	Watson
Robison	Smith, Calif.	Whalley
Rogers, Tex.	Smith, N.Y.	Whitten
Roncalio	Springer	Widnall
Roudebush	Stafford	Williams
Rumsfeld	Stanton	Wilson, Bob
Satterfield	Talcott	Wyatt
Saylor	Thomson, Wis.	Wydler
Schneebell	Todd	Younger
Schweiker	Tuck	

NAYS—238

Abblitt	Gray	O'Neal, Ga.
Adams	Green, Oreg.	Ottlinger
Addabbo	Green, Pa.	Patman
Albert	Greigg	Patten
Anderson, Ill.	Grider	Pepper
Annunzio	Griffiths	Perkins
Ashley	Hagen, Calif.	Philbin
Aspinall	Halpern	Pike
Bandstra	Hamilton	Poage
Barrett	Hanley	Powell
Beckworth	Hanna	Price
Bennett	Hansen, Iowa	Pucinski
Bingham	Hart	Purcell
Boggs	Hathaway	Race
Boland	Hawkins	Randall
Bolling	Hays	Redlin
Brademas	Hechler	Rees
Brooks	Helstoski	Reid, N.Y.
Brown, Calif.	Herlick	Resnick
Burke	Hicks	Reuss
Burleson	Holifield	Rhodes, Pa.
Burton, Calif.	Holland	Rivers, Alaska
Byrne, Pa.	Howard	Roberts
Cabell	Hull	Rodino
Callan	Hungate	Rogers, Fla.
Cameron	Huot	Ronan
Carey	Ichord	Rooney, N.Y.
Casey	Irwin	Rooney, Pa.
Celler	Jacobs	Rosenthal
Chelf	Jarman	Rostenkowski
Clark	Jennings	Roush
Cleaver	Joelson	Roybal
Conyers	Johnson, Calif.	Ryan
Cooley	Johnson, Okla.	St Germain
Craley	Jones, Ala.	St. Onge
Culver	Jones, Mo.	Scheuer
Daddario	Jones, N.C.	Schleser
Daniels	Karsten	Schmidhauser
Davis, Ga.	Karh	Secrest
Dawson	Kee	Shipley
de la Garza	Kelly	Sickles
Delaney	King, Calif.	Sikes
Dent	King, Utah	Sisk
Denton	Kirwan	Slack
Diggs	Kluczynski	Smith, Iowa
Dingell	Kornegay	Smith, Va.
Donohue	Leggett	Staggers
Dorn	Lennon	Stalbaum
Dow	Long, Md.	Steed
Dowdy	Love	Stephens
Downing	McCarthy	Stratton
Duncan, Oreg.	McDowell	Stubblefield
Dyal	McFall	Sullivan
Edmondson	McGrath	Sweeney
Everett	McVicker	Taylor
Evins, Tenn.	Mackay	Teague, Tex.
Fallon	Mackie	Tenzer
Farbstein	Madden	Thompson, N.J.
Farnsley	Mahon	Thompson, Tex.
Farnum	Matsunaga	Trimble
Fascell	Matthews	Tunney
Feighan	Meeds	Tupper
Fino	Miller	Udall
Flynt	Mills	Ullman
Fogarty	Minish	Vanik
Foley	Monagan	Vigorito
Ford,	Moorhead	Vivian
William D.	Morgan	Waldie
Fountain	Morris	Walker, N. Mex.
Fraser	Moss	Watts
Friedel	Multer	White, Idaho
Fuqua	Murphy, N.Y.	White, Tex.
Garmatz	Natcher	Whitener
Gettys	Nedzi	Widnall
Gialmo	Nix	Williams
Gibbons	O'Brien	Willis
Gilbert	O'Hara, Ill.	Wilson,
Gilligan	O'Hara, Mich.	Charles H.
Gonzalez	Olsen, Mont.	Wolff
Grabowski	Olson, Minn.	Wright

NOT VOTING—51

Adair	Corman	Grover
Ashmore	Cunningham	Hagan, Ga.
Baring	Edwards, Calif.	Halleck
Battin	Evans, Colo.	Hansen, Wash.
Blatnik	Fisher	Hébert
Burton, Utah	Flood	Horton
Callaway	Fulton, Tenn.	Hosmer
Cohelan	Gallagher	Keogh

King, N.Y.	Murphy, Ill.	Teague, Calif.
Krebs	Murray	Thomas
Landrum	O'Konski	Toll
McEwen	O'Neill, Mass.	Tuten
McMillan	Reinecke	Utt
Machen	Rivers, S.C.	Van Deerlin
Martin, Ala.	Rogers, Colo.	Walker, Miss.
Mink	Scott	Weltner
Morrison	Senner	Zablocki

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Weltner against.
Mr. Baring for, with Mr. Blatnik against.
Mr. Scott for, with Mr. Morrison against.
Mr. Ashmore for, with Mr. Fulton of Tennessee against.

Mr. Battin for, with Mr. Horton against.
Mr. Teague of California for, with Mr. Grover against.

Mr. King of New York for, with Mr. Keogh against.

Mr. Burton of Utah for, with Mr. O'Neill of Massachusetts against.

Mr. Utt for, with Mr. Machen against.

Mr. McEwen for, with Mr. Gallagher against.

Mr. Murray for, with Mr. Murphy of Illinois against.

Until further notice:

Mr. Zablocki with Mr. O'Konski.
Mr. Corman with Mr. Reinecke.
Mr. Rivers of South Carolina with Mr. Adair.

Mr. Van Deerlin with Mr. Hosmer.
Mrs. Hansen of Washington with Mr. Cunningham.

Mr. Flood with Mr. Halleck.
Mr. Tuten with Mr. Callaway.

Mr. Hagan of Georgia with Mr. Martin of Alabama.

Mrs. Thomas with Mr. Walker of Mississippi.

Mr. Edwards of California with Mr. Krebs.

Mr. Landrum with Mr. Senner.

Mr. Rogers of Colorado with Mr. Evans of Colorado.

Mrs. Mink with Mr. Cohelan.

Mr. McMillan with Mr. Fisher.

Mr. ANDERSON of Illinois changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

Mr. HOLIFIELD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 336, nays 42, not voting 54, as follows:

[Roll No. 253]

YEAS—336

Adams	Bolling	Chelf
Addabbo	Bolton	Clancy
Albert	Bow	Clark
Anderson, Ill.	Brademas	Clausen,
Anderson, Tenn.	Brock	Don H.
Andrews,	Brooks	Clawson, Del
N. Dak.	Broomfield	Cleveland
Annunzio	Brown, Calif.	Clevenger
Arends	Brown, Clarence J., Jr.	Collier
Ashbrook	Broyhill, N.C.	Colmer
Ashley	Broyhill, Va.	Conable
Aspinall	Burke	Conte
Ayres	Burton, Calif.	Conyers
Bandstra	Byrne, Pa.	Cooley
Barrett	Byrnes, Wis.	Corbett
Bates	Cabell	Craley
Beckworth	Cahill	Cramer
Belcher	Callan	Culver
Bell	Carey	Curtin
Bennett	Carter	Daddario
Betts	Casey	Dague
Bingham	Cederberg	Daniels
Boggs	Celler	Davis, Ga.
Boland	Chamberlain	Davis, Wis.
		Dawson

de la Garza	Joelson	Quie
Delaney	Johnson, Calif.	Quillen
Dent	Johnson, Okla.	Race
Denton	Johnson, Pa.	Redlin
Devine	Jonas	Rees
Dickinson	Jones, Ala.	Reid, Ill.
Diggs	Jones, Mo.	Reid, N.Y.
Dingell	Jones, N.C.	Resnick
Dole	Karsten	Reuss
Donohue	Karh	Rhodes, Ariz.
Dorn	Kastenmeier	Rhodes, Pa.
Dow	Kee	Rivers, Alaska
Dowdy	Keith	Roberts
Downing	Kelly	Robison
Dulski	King, Calif.	Rodino
Duncan, Oreg.	Kirwan	Rogers, Fla.
Duncan, Tenn.	Kluczynski	Ronan
Dwyer	Kornegay	Rooney, N.Y.
Dyal	Kunkel	Rooney, Pa.
Edmondson	Kupferman	Rosenthal
Edwards, La.	Latta	Rostenkowski
Ellsworth	Leggett	Roudebush
Erlenborn	Lennon	Roush
Everett	Lipscomb	Roybal
Evins, Tenn.	Long, Md.	Rumsfeld
Fallon	Love	Ryan
Farbstein	McCarthy	St Germain
Farnsley	McClary	St. Onge
Farnum	McCulloch	Scheuer
Fascell	McDade	Schleser
Feighan	McDowell	Schmidhauser
Findley	McFall	Schneebell
Fino	McGrath	Schweiker
Fogarty	McVicker	Secrest
Foley	Macdonald	Selden
Ford, Gerald R.	MacGregor	Shipley
Ford,	Mackay	Shriver
William D.	Mackie	Sickles
Fountain	Madden	Sikes
Fraser	Mahon	Sisk
Frelinghuysen	Mailliard	Skubitz
Friedel	Martin, Nebr.	Slack
Fulton, Pa.	Mathias	Smith, Calif.
Fuqua	Matsunaga	Smith, Iowa
Garmatz	Matthews	Smith, N.Y.
Gathings	May	Smith, Va.
Gettys	Meeds	Springer
Gialmo	Michel	Stafford
Gibbons	Miller	Staggers
Gilbert	Mills	Stalbaum
Gilligan	Minish	Stanton
Gonzalez	Mize	Stratton
Goodell	Moeller	Stubblefield
Grabowski	Monagan	Sullivan
Gray	Moore	Sweeney
Green, Oreg.	Moorhead	Talcott
Green, Pa.	Morgan	Taylor
Greigg	Morris	Tenzer
Gubser	Morse	Thompson, N.J.
Hagen, Calif.	Morton	Thompson, Tex.
Haley	Mosher	Todd
Halpern	Moss	Trimble
Hamilton	Multer	Tunney
Hanley	Murphy, N.Y.	Tupper
Hanna	Natcher	Udall
Hansen, Idaho	Nedzi	Ullman
Hansen, Iowa	Nix	Vanik
Hardy	O'Brien	Vigorito
Harsha	O'Hara, Ill.	Vivian
Harvey, Ind.	O'Hara, Mich.	Waldie
Harvey, Mich.	Olsen, Mont.	Walker, N. Mex.
Hathaway	Olson, Minn.	Watkins
Hawkins	Ottlinger	Watts
Hechler	Patman	Whalley
Helstoski	Patten	White, Idaho
Henderson	Pelly	White, Tex.
Herlong	Pepper	Whitener
Hicks	Perkins	Widnall
Holifield	Philbin	Williams
Holland	Pickle	Willis
Howard	Pike	Wilson,
Hull	Pirnie	Charles H.
Hungate	Poage	Wolff
Huot	Poff	Wright
Ichord	Pool	Wyatt
Irwin	Powell	Wydler
Jacobs	Price	Yates
Jarman	Pucinski	Young
Jennings	Purcell	Younger

NAYS—42

Abblitt	Grider	Randall
Abernethy	Griffiths	Reifel
Andrews,	Gross	Rogers, Tex.
George W.	Gurney	Roncalio
Andrews,	Hali	Satterfield
Glenn	Hutchinson	Saylor
Berry	King, Utah	Steed
Bray	Laird	Stephens
Buchanan	Langen	Teague, Tex.
Burleson	Long, La.	Thomson, Wis.
Cameron	Marsh	Tuck
Curtis	Minshall	Waggonner
Derwinski	Nelsen	Watson
Edwards, Ala.	O'Neal, Ga.	Whitten
Flynt	Passman	

NOT VOTING—54

Adair	Halleck	Murray
Ashmore	Hansen, Wash.	O'Konski
Baring	Hays	O'Neill, Mass.
Battin	Hébert	Reinecke
Blatnik	Horton	Rivers, S.O.
Burton, Utah	Hosmer	Rogers, Colo.
Callaway	Keogh	Scott
Cohelan	King, N.Y.	Senner
Corman	Krebs	Teague, Calif.
Cunningham	Landrum	Thomas
Edwards, Calif.	McEwen	Toll
Evans, Colo.	McMillan	Tuten
Fisher	Machen	Utt
Flood	Martin, Ala.	Van Deerlin
Fulton, Tenn.	Martin, Mass.	Walker, Miss.
Gallagher	Mink	Weltner
Grover	Morrison	Wilson, Bob
Hagan, Ga.	Murphy, Ill.	Zablocki

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Keogh for, with Mr. Baring against.
 Mr. O'Neill of Massachusetts for, with Mr. Scott against.
 Mr. Horton for, with Mr. Teague of California against.
 Mr. McEwen for, with Mr. Utt against.
 Mr. Morrison for, with Mr. Burton of Utah against.
 Mr. Cunningham for, with Mr. Battin against.
 Mr. King of New York for, with Mr. Hébert against.
 Mr. Weltner for, with Mr. Ashmore against.

Until further notice:

Mr. McMillan with Mr. Martin of Massachusetts.
 Mr. Flood with Mr. Grover.
 Mr. Corman with Mr. Bob Wilson.
 Mr. Rogers of Colorado with Mr. Halleck.
 Mr. Blatnik with Mr. Adair.
 Mr. Van Deerlin with Mr. Reinecke.
 Mrs. Hansen of Washington with Mr. Martin of Alabama.
 Mr. Gallagher with Mr. Hosmer.
 Mr. Zablocki with Mr. O'Konski.
 Mr. Rivers of South Carolina with Mr. Walker of Mississippi.
 Mr. Hagan of Georgia with Mr. Callaway.
 Mr. Fulton of Tennessee with Mr. Tuten.
 Mr. Toll with Mrs. Mink.
 Mr. Murphy of Illinois with Mr. Edwards of California.
 Mr. Cohelan with Mr. Fisher.
 Mr. Evans of Colorado with Mr. Krebs.
 Mr. Landrum with Mr. Machen.
 Mr. Hays with Mrs. Thomas.
 Mr. Murray with Mr. Senner.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

COMMITTEE ON EDUCATION AND LABOR

Mr. POWELL. Mr. Speaker, I ask unanimous consent to have until midnight tonight to file a conference report on H.R. 8989, a bill to promote health and safety in metal and nonmetallic mineral industries, and for other purposes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

CONFERENCE REPORT (H. REPT. No. 1921)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 8989) to promote health and safety in metallic and nonmetallic mineral industries, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That this Act may be cited as the 'Federal Metal and Nonmetallic Mine Safety Act'.

"DEFINITIONS AND EXEMPTIONS

"SEC. 2. For the purposes of this Act.

"(a) The term 'commerce' means trade, traffic, commerce, transportation, or communication between any State, the Commonwealth of Puerto Rico, the District of Columbia, or any territory or possession of the United States, and any other place outside the respective boundaries thereof, or wholly within the District of Columbia, or any territory or possession of the United States, or between points in the same State, if passing through any point outside the boundaries thereof.

"(b) The term 'mine' means (1) an area of land from which minerals other than coal or lignite are extracted in nonliquid form or, if in liquid form, are extracted with workers underground, (2) private ways and roads appurtenant to such area, and (3) land, excavations, underground passageways, and workings, structures, facilities, equipment, machines, tools, or other property, on the surface or underground, used in the work of extracting such minerals other than coal or lignite from their natural deposits in nonliquid form, or if in liquid form, with workers underground, or used in the milling of such minerals, except that with respect to protection against radiation hazards such term shall not include property used in the milling of source material as defined in the Atomic Energy Act of 1954, as amended.

"(c) The term 'operator' means the person, partnership, association, or corporation, or subsidiary of a corporation operating a mine, and owning the right to do so, and includes any agent thereof charged with responsibility for the operation of such mine.

"(d) The term 'Secretary' means the Secretary of the Interior or his duly authorized representative.

"(e) The term 'Board' means the Federal Metal and Nonmetallic Mine Safety Board of Review created by section 10.

"SEC. 3. (a) Each mine the products of which regularly enter commerce, or the operations of which affect commerce, shall be subject to this Act.

"(b) The Secretary may, by published rules adopted pursuant to the Administrative Procedure Act, decline to assert jurisdiction under this Act over any class or category of mines where, in the opinion of the Secretary, the effect of the operations of such mines on commerce is not sufficiently substantial to warrant the exercise of jurisdiction under this Act, and the record of injuries and accidents in such class or category of mines warrants such a declination of jurisdiction.

"INSPECTIONS

"SEC. 4. The Secretary of the Interior is authorized at any time to cause to be made such inspections and investigations as he shall deem necessary in mines which are subject to this Act (1) for the purpose of obtaining, utilizing, and disseminating information relating to health and safety conditions in such mines, the causes of accidents involving bodily injury or loss of life, or the causes of occupational diseases originating therein, (2) for the purpose of determining whether or not there is compliance with a health and safety standard or order issued under this Act, or (3) for the purpose of evaluating the manner in which a State plan approved under section 16 is being carried out. At least once each calendar year the Secretary shall inspect each underground mine which is subject to this Act.

"SEC. 5. For the purpose of making any inspection or investigation authorized by this

Act, authorized representatives of the Secretary shall be entitled to admission to, and shall have the right of entry to, upon, or through, any mine which is subject to this Act.

"HEALTH AND SAFETY STANDARDS

"SEC. 6. (a) The Secretary shall develop, and from time to time revise, after consultation with advisory committees appointed pursuant to section 7 of this Act, and promulgate health and safety standards for the purpose of the protection of life, the promotion of health and safety, and the prevention of accidents in mines which are subject to this Act.

"(b) After consultation with an appropriate advisory committee established pursuant to section 7 of this Act, the Secretary, by a notice published in the Federal Register, shall designate as mandatory standards those standards promulgated pursuant to subsection (a) of this section which deal with conditions or practices of a kind which could reasonably be expected to cause death or serious physical harm, and the operators of mines to which such standards are applicable shall comply with such mandatory standards pursuant to the provisions of section 8 and section 9 of this Act.

"(c) The Secretary shall publish in the Federal Register, health and safety standards which he proposes to promulgate, and he shall specifically identify those standards which he proposes to designate as mandatory standards, and he shall also specifically designate those mandatory standards which have been recommended by an Advisory Committee appointed pursuant to section 7 of this Act. Interested persons shall be afforded a period of not less than thirty days after the publication of the proposed standards in which to submit written data, views, or arguments. Except as provided in subsection (d) of this section, the Secretary may, upon the expiration of such period and after consideration of all relevant matter presented, promulgate such standards.

"(d) (1) On or before the last day of a period fixed for the submission of written data, views, or arguments, any person who may be adversely affected by a health and safety standard which the Secretary proposes to promulgate and to designate as a mandatory standard may file with the Secretary written objections thereto stating the grounds therefor, and requesting a public hearing (subject to the provisions of the Administrative Procedure Act) on such objections. The Secretary shall not promulgate any proposed mandatory standard respecting which such objections have been filed until he has taken final action upon them as provided in paragraph (2) of this subsection. As soon as practicable after the period for filing such objections has expired, the Secretary shall publish in the Federal Register a notice specifying the proposed mandatory standards to which such objections have been filed.

"(2) If such objections requesting a public hearing are filed, as soon after the expiration of the period for filing such objections as is practical, the Secretary, after due notice, shall hold a public hearing for the purpose of receiving evidence relevant and material to the issues raised by such objections. At the hearing, any interested person may be heard. As soon as practicable after completion of the hearing, the Secretary shall act upon such objections and make his decision public. Such decision shall be based only on substantial evidence of record at such hearing and shall set forth detailed findings of fact on which the decision is based.

"(3) Any person aggrieved by a decision of the Secretary under paragraph (2) of this subsection may obtain a review of such order by the United States Court of Appeals for the District of Columbia by filing in such court within twenty days following the issuance of such decision a petition pray-

PLATE 100

AM 907

89TH CONGRESS
2D SESSION

H. R. 15963

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 1, 1966

Read twice and referred to the Committee on Government Operations

AN ACT

To establish a Department of Transportation, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Department of Trans-
4 portation Act".

5 DECLARATION OF PURPOSE

6 SEC. 2. The Congress hereby declares that the general
7 welfare, the economic growth and stability of the Nation
8 and its security require the development and implementation
9 of national transportation policies and programs conducive
10 to the provision of fast, safe, efficient, and convenient trans-
11 portation at the lowest cost consistent therewith and with

1 other national objectives, including the efficient utilization
2 and conservation of the Nation's resources.

3 The Congress therefore finds that the establishment of
4 a Department of Transportation is necessary in the public
5 interest and to assure the coordinated, effective administra-
6 tion of the transportation programs of the Federal Govern-
7 ment; to facilitate the development and improvement of
8 coordinated transportation service, to be provided by private
9 enterprise to the maximum extent feasible; to encourage co-
10 operation of Federal, State, and local governments, carriers,
11 labor, and other interested parties toward the achievement
12 of national transportation objectives; to stimulate technologi-
13 cal advances in transportation; to provide general leadership
14 in the identification and solution of transportation problems;
15 and to develop and recommend to the President and Con-
16 gress for approval national transportation policies and pro-
17 grams to accomplish these objectives with full and appro-
18 priate consideration of the needs of the public, users, carriers,
19 industry, labor, and the national defense.

20 ESTABLISHMENT OF DEPARTMENT

21 SEC. 3. (a) There is hereby established at the seat of
22 government an executive department to be known as the
23 Department of Transportation (hereafter referred to in this
24 Act as the "Department"). There shall be at the head of
25 the Department a Secretary of Transportation (hereafter

1 referred to in this Act as the "Secretary"), who shall be
2 appointed by the President, by and with the advice and con-
3 sent of the Senate.

4 (b) There shall be in the Department an Under Secre-
5 tary, who shall be appointed by the President, by and with
6 the advice and consent of the Senate. The Under Secretary
7 (or, during the absence or disability of the Under Secretary,
8 or in the event of a vacancy in the office of Under Secretary,
9 an Assistant Secretary or the General Counsel, determined
10 according to such order as the Secretary shall prescribe)
11 shall act for, and exercise the powers of the Secretary, dur-
12 ing the absence or disability of the Secretary or in the event
13 of a vacancy in the office of Secretary. The Under Secretary
14 shall perform such functions, powers, and duties as the Secre-
15 tary shall prescribe from time to time.

16 (c) There shall be in the Department four Assistant
17 Secretaries and a General Counsel, who shall be appointed
18 by the President, by and with the advice and consent of the
19 Senate, and who shall perform such functions, powers, and
20 duties as the Secretary shall prescribe from time to time.

21 (d) There shall be in the Department an Assistant Sec-
22 retary for Administration, who shall be appointed, with the
23 approval of the President, by the Secretary under the classi-
24 fied civil service who shall perform such functions, powers,
25 and duties as the Secretary shall prescribe from time to time.

1 (e) The Secretary shall establish within the Department
2 (1) a Federal Highway Administration, (2) a Federal
3 Railroad Administration, and (3) a Federal Aviation Ad-
4 ministration. Each of these components shall be headed by
5 an Administrator who shall be appointed by the President,
6 by and with the advice and consent of the Senate, and who
7 shall report directly to the Secretary and shall have such
8 duties and powers as he may prescribe.

9 (f) The Secretary shall establish within the Depart-
10 ment an Office of Accident Investigation, which shall be in-
11 dependent of the Federal Aviation Administration. The
12 office shall, among its duties, investigate aviation accidents
13 in accordance with rules and regulations prescribed by the
14 Secretary.

15 (g) (1) The Secretary shall establish within the De-
16 partment a National Highway Safety Agency which shall
17 exercise the functions, powers, and duties (transferred to
18 the Secretary by section 6 (a) of this Act) which the High-
19 way Safety Act of 1966 provides shall be carried out through
20 the National Highway Safety Agency. The National High-
21 way Safety Agency established under this subsection shall
22 be headed by an Administrator who shall be appointed by
23 the President, by and with the advice and consent of the
24 Senate, and who shall be compensated at the rate provided
25 for level V of the Federal Executive Salary Schedule. The

1 Administrator shall have the qualifications and shall be sub-
2 ject to the limitations prescribed by the Highway Safety Act
3 of 1966.

4 (2) The Secretary shall establish within the Depart-
5 ment a National Highway Safety Advisory Committee com-
6 posed of the Secretary, the Federal Highway Administrator,
7 and twenty-nine members appointed by the President in the
8 manner prescribed by section 404 of title 23, United States
9 Code. Such Committee shall exercise the same functions,
10 powers, and duties as the Highway Safety Act of 1966 pro-
11 vides for the National Highway Safety Advisory Committee.

12 GENERAL PROVISIONS

13 SEC. 4. (a) The Secretary in carrying out the pur-
14 poses of this Act shall, among his responsibilities, exercise
15 leadership under the direction of the President in transpor-
16 tation matters, including those affecting the national defense
17 and those involving national or regional emergencies; de-
18 velop national transportation policies and programs, and
19 make recommendations to the President and Congress for
20 their consideration and implementation; promote and under-
21 take development, collection, and dissemination of technologi-
22 cal, statistical, economic, and other information relevant to
23 domestic and international transportation; gather, maintain
24 and keep the President fully advised of information regarding
25 the status of labor-management contracts and other labor-

1 management problems and assist in promoting industrial
2 harmony and stable employment conditions in all modes of
3 transportation; promote and undertake research and devel-
4 opment relating to transportation, including noise abate-
5 ment, with particular attention to aircraft noise; consult with
6 the heads of other Federal departments and agencies on the
7 transportation requirements of the Government; and consult
8 and cooperate with State and local governments, carriers,
9 labor, and other interested parties, including, when ap-
10 propriate, holding informal public hearings. The Secretary
11 and the Secretary of Housing and Urban Development
12 shall study and report within one year after the effective
13 date of this Act to the President and the Congress on the
14 logical and efficient organization and location of Urban Mass
15 Transportation functions in the Executive Branch.

16 (b) In exercising the functions, powers, and duties
17 conferred on and transferred to the Secretary by this Act,
18 the Secretary shall give full consideration to the need for
19 operational continuity of the functions transferred, to the
20 need for effectiveness and safety in transportation systems,
21 and to the needs of the national defense.

22 (c) Orders and actions of the Secretary or the Na-
23 tional Transportation Safety Board (established by section 5
24 of this Act) in the exercise of functions, powers, and duties
25 transferred under this Act shall be subject to judicial review

1 to the same extent and in the same manner as if such orders
2 and actions had been by the department or agency exercising
3 such functions, powers, and duties immediately preceding
4 their transfer. Any statutory requirements relating to
5 notice, hearings, action upon the record, or administrative
6 review that apply to any function transferred by this Act
7 shall apply to the exercise of such functions by the Secretary
8 or the National Transportation Safety Board.

9 (d) In the exercise of the functions, powers, and duties
10 transferred under this Act, the Secretary shall have the same
11 authority as that vested in the department or agency exercis-
12 ing such functions, powers, and duties immediately preced-
13 ing their transfer, and his actions in exercising such func-
14 tions, powers, and duties shall have the same force and effect
15 as when exercised by such department or agency.

16 (e) Nothing in this Act shall be construed to authorize,
17 without appropriate action by Congress, the adoption or
18 revision of a national transportation policy.

19 NATIONAL TRANSPORTATION SAFETY BOARD

20 SEC. 5. (a) There is hereby established within the De-
21 partment a National Transportation Safety Board (referred
22 to hereafter in this Act as "Board").

23 (b) There are hereby transferred to, and it shall be
24 the duty of the Board to exercise, the functions, powers, and

1 duties transferred to the Secretary by sections 6 and 8 of this
2 Act with regard to—

3 (1) determining the cause or probable cause of
4 transportation accidents and reporting the facts, condi-
5 tions, and circumstances relating to such accidents; and

6 (2) the review on appeal of the suspension, amend-
7 ment, modification, revocation, or denial of any certifi-
8 cate or license issued by the Secretary.

9 (c) The Board is further authorized to—

10 (1) make such recommendations to the Secretary
11 as, in its opinion, will tend to prevent transportation
12 accidents;

13 (2) conduct special studies on matters pertaining
14 to safety in transportation and the prevention of
15 accidents;

16 (3) insure that in cases in which it is required to
17 determine cause or probable cause, reports of investiga-
18 tion adequately state the circumstances of the accident
19 involved. Where additional information is needed, the
20 Board may require the Secretary to conduct further
21 investigations or to take such other measures as are
22 required in the opinion of the Board to insure develop-
23 ment of all facts and circumstances surrounding the
24 accident;

25 (4) make recommendations to the Secretary con-

cerning policies, programs, and procedures for transportation safety, and rules, regulations, and procedures for the conduct of accident investigations;

(5) require the Secretary to initiate specific accident investigations as the Board determines to be necessary or appropriate;

(6) arrange for the personal participation of members or other personnel of the Board in accident investigations conducted by the Department in such cases as it deems appropriate; and

(7) require from the Secretary notification of transportation accidents and reports of such accidents as the Board deems necessary.

(d) Except as otherwise provided by statute, the Board shall make public all reports, orders, decisions, rules, and regulations issued pursuant to sections 5 (b) (1) and 5 (b) (2) ; and the Board shall also make public—

(1) every recommendation made to the Secretary,

(2) every special study conducted, and

(3) every action of the Board requiring the Secretary to take action

pursuant to section 5 (c) (1), (2), (3), (4), (5), or (7).

(e) In the exercise of any of its functions, powers, and duties, the Board shall be independent of the Secretary

1 and the other offices and officers of the Department, and shall
2 give full consideration to the requirements imposed on the
3 Secretary by section 4 (b) of this Act.

4 (f) The Board shall report to the Congress annually
5 on the conduct of its functions under this Act and the effec-
6 tiveness of accident investigations in the Department,
7 together with such recommendations for legislation as it
8 may deem appropriate.

9 (g) The Board shall consist of five members to be
10 appointed by the President, by and with the advice and con-
11 sent of the Senate. No more than three members of the
12 Board shall be of the same political party. Members of the
13 Board shall be appointed with due regard to their fitness for
14 the efficient dispatch of the functions, powers, and duties
15 vested in and imposed upon the Board, and may be removed
16 by the President for inefficiency, neglect of duty, or mal-
17 feasance in office.

18 (h) Members of the Board shall be appointed for
19 terms of five years, except that (1) any member appointed
20 to fill a vacancy occurring prior to the expiration of the term
21 for which his predecessor was appointed shall be appointed
22 only for the remainder of such term, and (2) the five mem-
23 bers first appointed shall serve for terms (designated by the
24 President at the time of appointment) ending on the last day
25 of the first, second, third, fourth, and fifth calendar years be

1 ginning after the year of enactment of this Act. Upon the
2 expiration of his term of office a member shall continue to
3 serve until his successor is appointed and shall have qualified.

4 (i) The President shall designate from time to time
5 one of the members of the Board as Chairman and one of
6 the members as Vice Chairman, who shall act as Chairman
7 in the absence or incapacity of the Chairman, or in the event
8 of a vacancy in the office of the Chairman. The Chairman
9 shall be the chief executive and administrative officer of the
10 Board and shall exercise the responsibility of the Board with
11 respect to (1) the appointment and supervision of personnel
12 employed by the Board; (2) the distribution of business
13 among the Board's personnel; and (3) the use and expendi-
14 ture of funds. In executing and administering the functions
15 of the Board on its behalf, the Chairman shall be governed
16 by the general policies of the Board and by its decisions,
17 findings, and determinations. Three of the members shall
18 constitute a quorum of the Board.

19 (j) The Chairman of the Board shall be compensated
20 at the rate provided for level IV of the Federal Executive
21 Salary Schedule. Members of the Board shall be compen-
22 sated at the rate provided for level V of such Schedule.

23 (k) The Board is authorized to establish such rules,
24 regulations, and procedures as are necessary to the exercise
25 of its functions.

1 (l) In carrying out its functions, the Board (or,
2 upon the authorization of the Board, any member thereof or
3 any hearing examiner assigned to or employed by the Board)
4 shall have the same powers as are vested in the Secretary to
5 hold hearings, sign and issue subpoenas, administer oaths,
6 examine witnesses, and receive evidence at any place in the
7 United States it may designate.

8 (m) Subject to the proviso in section 701(g) of the
9 Federal Aviation Act of 1958 (72 Stat. 782; 49 U.S.C.
10 1441 (g)), the Board may delegate to any officer or official
11 of the Board or, with the approval of the Secretary, to any
12 officer or official of the Department such of its functions as
13 it may deem appropriate.

14 (n) Subject to the civil service and classification laws,
15 the Board is authorized to select, appoint, employ, and
16 fix compensation of such officers and employees, including at-
17 torneys and hearing examiners, as shall be necessary to carry
18 out its powers and duties under this Act.

19 (o) The Board is authorized, on a reimbursable basis
20 when appropriate, to use the available services, equipment,
21 personnel, and facilities of the Department and of other
22 civilian or military agencies and instrumentalities of the
23 Federal Government, and to cooperate with the Department
24 and such other agencies and instrumentalities in the estab-
25 lishment and use of services, equipment, and facilities of the

1 Board. The Board is further authorized to confer with and
2 avail itself of the cooperation, services, records, and facilities
3 of State, territorial, municipal, or other local agencies.

4 TRANSFERS TO DEPARTMENT

5 SEC. 6. (a) There are hereby transferred to and vested
6 in the Secretary all functions, powers, and duties of the
7 Secretary of Commerce and other offices and officers of the
8 Department of Commerce under—

9 (1) the following laws and provisions of law re-
10 lating generally to highways:

11 (A) Title 23, United States Code.

12 (B) The Federal-Aid Highway Act of 1962
13 (76 Stat. 1145, 23 U.S.C. 307 note).

14 (C) The Act of July 14, 1960 (74 Stat. 526,
15 23 U.S.C. 313 note).

16 (D) The Federal-Aid Highway Act of 1954
17 (68 Stat. 70).

18 (E) The Act of September 26, 1961 (75 Stat.
19 670).

20 (F) The Highway Revenue Act of 1956 (70
21 Stat. 387, 23 U.S.C. 120 note).

22 (G) The Highway Beautification Act of 1965
23 (79 Stat. 1028, 23 U.S.C. 131 et seq. notes).

24 (H) The Alaska Omnibus Act (73 Stat. 141,
25 48 U.S.C. 21 note prec.).

1 (I) The Joint Resolution of August 28, 1965
2 (79 Stat. 578, 23 U.S.C. 101 et seq. notes).

3 (J) Section 525 (c) of the General Bridge Act
4 of 1946 (60 Stat. 847, 33 U.S.C. 525 (c)).

5 (K) The Act of April 27, 1962 (76 Stat. 59).

6 (L) Reorganization Plan No. 7 of 1949 (63
7 Stat. 1070, 5 U.S.C. 133z-15 note).

8 (M) The Federal-Aid Highway Act of 1966.

9 (2) the following laws and provisions of law relat-
10 ing generally to ground transportation:

11 (A) The Act of September 30, 1965 (79 Stat.
12 893, 49 U.S.C. 1631 et seq.).

13 (B) Section 8 of the Urban Mass Transporta-
14 tion Act of 1964 (78 Stat. 306, 49 U.S.C. 1607).

15 (3) the following laws and provisions of law relat-
16 ing generally to aircraft:

17 (A) The Act of September 7, 1957 (71 Stat.
18 629, 49 U.S.C. 1324 note).

19 (B) Section 410 of the Federal Aviation Act of
20 1958 (72 Stat. 769, 49 U.S.C. 1380).

21 (C) Title XIII of the Federal Aviation Act of
22 1958 (72 Stat. 800, 49 U.S.C. 1531 et seq.).

23 (4) the following law relating generally to pilotage:

1 The Great Lakes Pilotage Act of 1960 (74 Stat. 259,
2 46 U.S.C. 216 et seq.).

3 (5) the following law relating to highway safety:
4 The Highway Safety Act of 1966.

5 (6) the following law to the extent it authorizes
6 scientific and professional positions which relate pri-
7 marily to functions transferred by this subsection: The
8 Act of August 1, 1947 (61 Stat. 715, 5 U.S.C. 1161).

9 (b) (1) The Coast Guard is hereby transferred to the
10 Department, and there are hereby transferred to and vested
11 in the Secretary all functions, powers, and duties, relating
12 to the Coast Guard, of the Secretary of the Treasury and of
13 other officers and offices of the Department of the Treasury.
14 The Commandant of the Coast Guard shall also report
15 directly to the Secretary.

16 (2) Notwithstanding the transfer of the Coast Guard
17 to the Department and the transfer to the Secretary of the
18 functions, powers, and duties, relating to the Coast Guard,
19 of the Secretary of the Treasury and of other officers and
20 offices of the Department of the Treasury, effected by the
21 provisions of paragraph (1) of this subsection, the Coast
22 Guard, together with the functions, powers, and duties
23 relating thereto, shall operate as a part of the Navy, subject

1 to the orders of the Secretary of the Navy, in time of war
2 or when the President shall so direct, as provided in section
3 3 of title 14, United States Code.

4 (3) Notwithstanding any other provision of this Act,
5 the functions, powers, and duties of the General Counsel of
6 the Department of the Treasury set out in chapter 47 of
7 title 10, United States Code (Uniform Code of Military
8 Justice) are hereby transferred to and vested in the General
9 Counsel of the Department.

10 (c) (1) There are hereby transferred to and vested in
11 the Secretary all functions, powers, and duties of the Federal
12 Aviation Agency, and of the Administrator and other officers
13 and offices thereof.

14 (2) Nothing in this Act shall affect the power of the
15 President under section 302 (e) of the Federal Aviation Act
16 of 1958 (72 Stat. 746, 49 U.S.C. 1343 (c)) to transfer, to
17 the Department of Defense in the event of war, any func-
18 tions transferred by this Act from the Federal Aviation
19 Agency to the Secretary.

20 (d) There are hereby transferred to and vested in the
21 Secretary all functions, powers, and duties of the Civil Aero-
22 nautics Board, and of the Chairman, members, officers, and
23 offices thereof under the following provisions of law relating
24 generally to aviation safety: Titles VI and VII of the Fed-

1 eral Aviation Act of 1958 (72 Stat. 775, 49 U.S.C. 1421
2 et seq.).

3 (e) There are hereby transferred to and vested in the
4 Secretary all functions, powers, and duties of the Interstate
5 Commerce Commission, and of the Chairman, members,
6 officers, and offices thereof, under—

7 (1) the following laws relating generally to safety
8 appliances and equipment on railroad engines and cars,
9 and protection of employees and travelers:

10 (A) The Act of March 2, 1893 (27 Stat. 531,
11 45 U.S.C. 1 et seq.).

12 (B) The Act of March 2, 1903 (32 Stat. 943,
13 45 U.S.C. 8 et seq.).

14 (C) The Act of April 14, 1910 (36 Stat. 298,
15 45 U.S.C. 11 et seq.).

16 (D) The Act of May 30, 1908 (35 Stat. 476,
17 45 U.S.C. 17 et seq.).

18 (E) The Act of February 17, 1911 (36 Stat.
19 913, 45 U.S.C. 22 et seq.).

20 (F) The Act of March 4, 1915 (38 Stat.
21 1192, 45 U.S.C. 30).

22 (G) Reorganization Plan No. 3 of 1965 (79
23 Stat. 1320).

1 (II) Joint Resolution of June 30, 1906 (34
2 Stat. 838, 45 U.S.C. 35).

3 (I) The Act of May 27, 1908 (35 Stat. 325,
4 45 U.S.C. 36 et seq.).

5 (J) The Act of March 4, 1909 (35 Stat. 965,
6 45 U.S.C. 37).

7 (K) The Act of May 6, 1910 (36 Stat. 350,
8 45 U.S.C. 38 et seq.).

9 (2) the following law relating generally to hours of
10 service of employees: The Act of March 4, 1907 (34
11 Stat. 1415, 45 U.S.C. 61 et seq.).

12 (3) the following law relating generally to medals
13 for heroism: The Act of February 23, 1905 (33 Stat.
14 743, 49 U.S.C. 1201 et seq.).

15 (4) the following provisions of law relating gen-
16 erally to explosives and other dangerous articles: Sec-
17 tions 831-835 of title 18, United States Code.

18 (5) the following laws relating generally to stand-
19 ard time zones and daylight saving time:

20 (A) The Act of March 19, 1918 (40 Stat.
21 450, 15 U.S.C. 261 et seq.).

22 (B) The Act of March 4, 1921 (41 Stat.
23 1446, 15 U.S.C. 265).

24 (C) The Uniform Time Act of 1966 (80
25 Stat. 107).

1 (6) the following provisions of the Interstate Com-
2 merce Act—

3 (A) relating generally to safety appliances
4 methods and systems: Section 25 (49 U.S.C. 26).

5 (B) relating generally to investigation of motor
6 vehicle sizes, weights and service of employees: Sec-
7 tion 226 (49 U.S.C. 325).

8 (C) relating generally to qualifications and
9 maximum hours of service of employees and safety
10 of operation and equipment: Sections 204 (a) (1)
11 and (2), to the extent that they relate to qualifica-
12 tions and maximum hours of service of employees
13 and safety of operation and equipment; and sections
14 204 (a) (3), (3a), and (5) (49 U.S.C. 304).

15 (D) to the extent they relate to private car-
16 riers of property by motor vehicle and carriers of
17 migrant workers by motor vehicle other than con-
18 tract carriers: Sections 221 (a), 221 (c), and 224
19 (49 U.S.C. 321 et seq.).

20 (f) (1) Nothing in subsection (e) shall diminish the
21 functions, powers, and duties of the Interstate Commerce
22 Commission under sections 1 (6), 206, 207, 209, 210a, 212,
23 and 216 of the Interstate Commerce Act (49 U.S.C. 1 (6),
24 306 et seq.) or under any other section of that Act not
25 specifically referred to in subsection (e).

1 (2) (A) With respect to any function which is trans-
2 ferred to the Secretary by subsection (e) and which was
3 vested in the Interstate Commerce Commission preceding
4 such transfer, the Secretary shall have the same adminis-
5 trative powers under the Interstate Commerce Act as the
6 Commission had before such transfer with respect to such
7 transferred function. After such transfer, the Commission
8 may exercise its administrative powers under the Interstate
9 Commerce Act only with respect to those of its functions
10 not transferred by subsection (e).

11 (B) For purposes of this paragraph—

12 (i) the term “function” includes power and duty,
13 and

14 (ii) the term “administrative powers under the
15 Interstate Commerce Act” means any functions under
16 the following provisions of the Interstate Commerce Act:
17 Sections 12, 13 (1), 13 (2), 14, 16 (12), the last sen-
18 tence of 18 (1), sections 20 (except clauses (3), (4),
19 (11), and (12) thereof), 204 (a) (6) and (7), 204
20 (c), 204 (d), 205 (d), 205 (f), 220 (except subsection
21 (c) and the proviso of subsection (a) thereof), 222
22 (except subsections (b) (2) and (b) (3) thereof), and
23 417 (b) (1) (49 U.S.C. 12 et seq., 304 et seq., and
24 1017).

25 (g) There are hereby transferred to and vested in the

1 Secretary all functions, powers, and duties of the Secretary
2 of the Army and other officers and offices of the Department
3 of the Army under—

4 (1) the following law and provisions of law relating
5 generally to water vessel anchorages:

6 (A) Section 7 of the Act of March 4, 1915 (38
7 Stat. 1053; 33 U.S.C. 471).

8 (B) Article 11 of section 1 of the Act of June
9 7, 1897 (30 Stat. 98; 33 U.S.C. 180).

10 (C) Rule 9 of section 1 of the Act of February
11 8, 1895 (28 Stat. 647; 33 U.S.C. 258).

12 (D) Rule numbered 13 of section 4233 of the
13 Revised Statutes (33 U.S.C. 322).

14 (2) the following provision of law relating gen-
15 erally to drawbridge operating regulations: Section 5
16 of the Act of August 18, 1894 (28 Stat. 362; 33 U.S.C.
17 499).

18 (3) the following law relating generally to obstruc-
19 tive bridges: The Act of June 21, 1940 (54 Stat. 497;
20 33 U.S.C. 511 et seq.).

21 (4) the following laws and provisions of law relat-
22 ing generally to the reasonableness of tolls:

23 (A) Section 4 of the Act of March 23, 1906
24 (34 Stat. 85; 33 U.S.C. 494).

1 (B) Section 503 of the General Bridge Act of
2 1946 (60 Stat. 847; 33 U.S.C. 526).

3 (C) Section 17 of the Act of June 10, 1930
4 (46 Stat. 552; 33 U.S.C. 498a).

5 (D) The Act of June 27, 1930 (46 Stat. 821;
6 33 U.S.C. 498b).

7 (E) The Act of August 21, 1935 (49 Stat.
8 670; 33 U.S.C. 503 et seq.).

9 (5) the following law relating to prevention of pol-
10 lution of the sea by oil: The Oil Pollution Act, 1961
11 (75 Stat. 402; 33 U.S.C. 1001 et seq.).

12 (6) the following laws and provision of law to the
13 extent that they relate generally to the location and clear-
14 ances of bridges and causeways in the navigable waters
15 of the United States:

16 (A) Section 9 of the Act of March 3, 1899 (30
17 Stat. 1151; 33 U.S.C. 401).

18 (B) The Act of March 23, 1906 (34 Stat. 84;
19 33 U.S.C. 491 et seq.).

20 (C) The General Bridge Act of 1946 (60 Stat.
21 847; 33 U.S.C. 525 et seq.).

22 (h) Notwithstanding any other provision of this Act,
23 the transfer of functions, powers, and duties to the Secretary
24 shall not include functions vested by the Administrative Pro-
25 cedure Act (60 Stat. 237; 5 U.S.C. 1001 et seq.) in hear-

1 ing examiners employed by any agency or component
2 thereof whose functions are transferred under the provisions
3 of this Act.

4 AMENDMENTS TO OTHER LAWS

5 SEC. 7. (a) Section 406 (b) of the Federal Aviation
6 Act of 1958 (72 Stat. 763, 49 U.S.C. 1376 (b)), is amended
7 by adding the following sentence at the end thereof: "In
8 applying clause (3) of this subsection, the Board shall take
9 into consideration any standards and criteria prescribed by
10 the Secretary of Transportation, for determining the character
11 and quality of transportation required for the commerce of
12 the United States and the national defense."

13 (b) Section 201 of the Appalachian Regional Develop-
14 ment Act of 1965 (79 Stat. 10, 40 U.S.C. App. 201) is
15 amended as follows:

16 (1) The first sentence of subsection (a) of that section
17 is amended by striking out "Commerce (hereafter in this
18 section referred to as the 'Secretary')" and inserting in
19 lieu thereof "Transportation".

20 (2) The last sentence of subsection (a) of that section
21 is amended by inserting "of Transportation" after "Secre-
22 tary".

23 (3) Subsection (b) of that section is amended by in-
24 serting "of Commerce" after "Secretary".

25 (4) Subsection (c) of that section is amended by strik-

1 ing out the first sentence and inserting in lieu thereof the fol-
2 lowing: "Such recommendations as are approved by the
3 Secretary of Commerce shall be transmitted to the Secretary
4 of Transportation for his approval."

5 (5) The second sentence of subsection (c) of that sec-
6 tion is amended by inserting "of Transportation" after "Sec-
7 retary".

8 (6) Subsection (e) of that section is amended by in-
9 serting "of Transportation" after "Secretary".

10 (7) Subsection (f) of that section is amended by strik-
11 ing out "Secretary determines", and inserting in lieu thereof
12 "Secretary of Commerce and the Secretary of Transportation
13 determine".

14 (8) Subsection (g) of that section is amended by in-
15 serting before the period at the end thereof the following:
16 "to the Secretary of Commerce, who shall transfer funds to
17 the Secretary of Transportation for administration of projects
18 approved by both Secretaries".

19 (c) Section 206 (c) of the Appalachian Regional De-
20 velopment Act of 1965 (79 Stat. 15, 40 U.S.C. App.
21 206 (c)) is amended by inserting "Secretary of Transporta-
22 tion," after "Interior,".

23 (d) Section 212 (a) of the Interstate Commerce Act
24 (49 Stat. 555, 49 U.S.C. 312 (a)) is amended by striking

1 out "of the Commission" the second, third, and fourth times
2 those words occur.

3 (e) Section 13 (b) (1) of the Fair Labor Standards
4 Act of 1938 (52 Stat. 1067, 29 U.S.C. 213 (b) (1)) is
5 amended by striking out "Interstate Commerce Commis-
6 sion" and inserting in lieu thereof "Secretary of Transporta-
7 tion".

8 (f) The second sentence of section 3 of the Federal
9 Explosives Act (40 Stat. 386, 50 U.S.C. 123) is amended
10 to read as follows: "This Act shall not apply to explosives
11 or ingredients which are in transit upon vessels, railroad
12 cars, aircraft, or other conveyances in conformity with statu-
13 tory law or with the rules and regulations of the Secretary
14 of Transportation."

15 ADMINISTRATIVE PROVISIONS

16 SEC. 8. (a) In addition to the authority contained in
17 any other Act which is transferred to and vested in the
18 Secretary, the Secretary is authorized, subject to the civil
19 service and classification laws, to select, appoint, employ,
20 and fix the compensation of such officers and employees, in-
21 cluding attorneys, as are necessary to carry out the pro-
22 visions of this Act and to prescribe their authority and
23 duties.

24 (b) (1) Notwithstanding any provision of this Act

1 or other law, a member of the Coast Guard on active duty
2 may be appointed, detailed, or assigned to any position in
3 the Department other than Secretary, Under Secretary, and
4 Assistant Secretary for Administration.

5 (2) Subject to the civil service laws, the Classification
6 Act of 1949, and the Dual Compensation Act of 1964, a
7 retired member of the Coast Guard may be appointed to
8 any position in the Department.

9 (c) The Secretary may obtain services as authorized
10 by section 15 of the Administrative Expenses Act of 1946
11 (60 Stat. 810, 5 U.S.C. 55a), but at rates not to exceed
12 \$100 per diem for individuals unless otherwise specified in
13 an appropriation Act.

14 (d) The Secretary is authorized to provide for par-
15 ticipation of military personnel in carrying out his func-
16 tions. Members of the Army, the Navy, the Air Force, or
17 the Marine Corps may be detailed for service in the Depart-
18 ment by the appropriate Secretary, pursuant to cooperative
19 agreements with the Secretary of Transportation.

20 (e) (1) Appointment, detail, or assignment to, accept-
21 ance of, and service in any appointive or other position in the
22 Department under the authority of subsection (b) (1) or sub-
23 section (d) shall in no way affect status, office, rank, or
24 grade which officers or enlisted men may occupy or hold, or
25 any emolument, perquisite, right, privilege, or benefit, inci-

1 dent to or arising out of any such status, office, rank, or grade
2 nor shall any member so appointed, detailed, or assigned be
3 charged against any statutory limitation on grades or
4 strengths applicable to the armed forces. A person so ap-
5 pointed, detailed, or assigned shall not be subject to direction
6 by or control by his armed force or any officer thereof di-
7 rectly or indirectly with respect to the responsibilities exer-
8 cised in the position to which appointed, detailed, or
9 assigned.

10 (2) The Secretary shall report annually in writing to
11 the Congress on personnel appointed and agreements en-
12 tered into under subsection (d) of this section, including
13 the number, rank, and positions of members of the armed
14 services detailed pursuant thereto.

15 (f) In addition to the authority to delegate and redele-
16 gate contained in any other Act, in the exercise of the func-
17 tions transferred to or vested in the Secretary in this Act,
18 the Secretary may delegate any of his functions, powers, and
19 duties to such officers and employees of the Department
20 as he may designate, may authorize such successive redele-
21 gations of such functions, powers, and duties as he may deem
22 desirable, and may make such rules and regulations as may
23 be necessary to carry out his functions, powers, and duties.

24 (g) The personnel, assets, liabilities, contracts, prop-
25 erty, records, and unexpended balances of appropriations,

1 authorizations, allocations, and other funds employed, held,
2 used, arising from, available or to be made available, of the
3 Federal Aviation Agency, and of the head and other officers
4 and offices thereof, are hereby transferred to the Secretary.

5 (h) So much of the positions, assets, liabilities, con-
6 tracts, property, records, and unexpended balances of ap-
7 propriations, authorizations, allocations, and other funds
8 employed, held, used, arising from, available or to be made
9 available in connection with the functions, powers, and duties
10 transferred by sections 6 (except section 6 (c)), 7 (d) , and
11 7 (e) of this Act as the Director of the Bureau of the Budget
12 shall determine shall be transferred to the Secretary. Ex-
13 cept as provided in subsection (i), personnel engaged in
14 these functions, powers, and duties shall be transferred in
15 accordance with applicable laws and regulations relating
16 to transfer of functions.

17 (i) The transfer of personnel pursuant to subsections
18 (g) and (h) of this section shall be without reduction in
19 classification or compensation for one year after such
20 transfer.

21 (j) (1) In any case where all of the functions, powers,
22 and duties of any office or agency, other than the Coast
23 Guard, are transferred pursuant to this Act, such office or
24 agency shall lapse. Any person who, on the effective date
25 of this Act, held a position compensated in accordance with

1 the Federal Executive Salary Schedule, and who, without a
2 break in service, is appointed in the Department to a posi-
3 tion having duties comparable to those performed immedi-
4 ately preceding his appointment shall continue to be com-
5 pensated in his new position at not less than the rate pro-
6 vided for his previous position, for the duration of his service
7 in his new position.

8 (2) The office of Federal Highway Administrator,
9 created by section 303 of title 23, United States Code, is
10 hereby transferred to and continued within the Department
11 under the title Director of Public Roads. The Director shall
12 be the operating head of the Bureau of Public Roads, or any
13 other agency created within the Department to carry out the
14 primary functions carried out on the effective date of this
15 Act by the Bureau of Public Roads, and he shall be compen-
16 sated at the rate prescribed for level IV of the Federal
17 Executive Salary Schedule.

18 (k) The Secretary is authorized to establish a working
19 capital fund, to be available without fiscal year limitation,
20 for expenses necessary for the maintenance and operation of
21 such common administrative services as he shall find to be
22 desirable in the interest of economy and efficiency in the De-
23 partment, including such services as a central supply service
24 for stationery and other supplies and equipment for which
25 adequate stocks may be maintained to meet in whole or in

1 part the requirements of the Department and its agencies;
2 central messenger, mail, telephone, and other communica-
3 tions services; office space, central services for document re-
4 production, and for graphics and visual aids; and a central
5 library service. The capital of the fund shall consist of any
6 appropriations made for the purpose of providing capital
7 (which appropriations are hereby authorized) and the fair
8 and reasonable value of such stocks of supplies, equipment,
9 and other assets and inventories on order as the Secretary
10 may transfer to the fund, less the related liabilities and
11 unpaid obligations. Such funds shall be reimbursed from
12 available funds of agencies and offices in the Department,
13 or from other sources, for supplies and services at rates which
14 will approximate the expense of operation, including the ac-
15 crual of annual leave and the depreciation of equipment.
16 The fund shall also be credited with receipts from sale or
17 exchange of property and receipts in payment for loss or
18 damage to property owned by the fund.

19 (l) The Secretary shall cause a seal of office to be
20 made for the Department, and judicial notice shall be taken
21 of such seal.

22 (m) In addition to the authority contained in any other
23 Act which is transferred to and vested in the Secretary, and
24 as necessary and when not otherwise available, the Secretary
25 is authorized to provide for, construct, or maintain the fol-

1 lowing for employees and their dependents stationed at re-
2 mote localities:

3 (1) Emergency medical services and supplies;

4 (2) Food and other subsistence supplies;

5 (3) Messing facilities;

6 (4) Motion picture equipment and film for recrea-
7 tion and training;

8 (5) Reimbursement for food, clothing, medicine,
9 and other supplies furnished by such employees in emer-
10 gencies for the temporary relief of distressed persons;
11 and

12 (6) Living and working quarters and facilities.

13 The furnishing of medical treatment under paragraph (1)
14 and the furnishing of services and supplies under para-
15 graphs (2) and (3) of this subsection shall be at prices
16 reflecting reasonable value as determined by the Secretary,
17 and the proceeds therefrom shall be credited to the appro-
18 priation from which the expenditure was made.

19 (n) (1) The Secretary is authorized to accept, hold, ad-
20 minister, and utilize gifts and bequests of property, both real
21 and personal, for the purpose of aiding or facilitating the
22 work of the Department. Gifts and bequests of money and
23 the proceeds from sales of other property received as gifts or
24 bequests shall be deposited in the Treasury in a separate fund
25 and shall be disbursed upon order of the Secretary of Trans-

1 portation. Property accepted pursuant to this paragraph,
2 and the proceeds thereof, shall be used as nearly as possible in
3 accordance with the terms of the gift or bequest.

4 (2) For the purpose of Federal income, estate, and gift
5 taxes, property accepted under paragraph (1) shall be con-
6 sidered as a gift or bequest to or for use of the United States.

7 (3) Upon the request of the Secretary, the Secretary of
8 the Treasury may invest and reinvest in securities of the
9 United States or in securities guaranteed as to principal and
10 interest by the United States any moneys contained in the
11 fund provided for in paragraph (1). Income accruing from
12 such securities, and from any other property held by the
13 Secretary pursuant to paragraph (1), shall be deposited to
14 the credit of such fund, and shall be disbursed upon order
15 of the Secretary of Transportation.

16 (o) (1) The Secretary is authorized, upon the written
17 request of any person, or any State, territory, possession, or
18 political subdivision thereof to make special statistical studies
19 relating to foreign and domestic transportation, and special
20 statistical studies relating to other matters falling within the
21 province of the Department, to prepare from its records
22 special statistical compilations, and to furnish transcripts of
23 its studies, tables, and other records upon the payment of
24 the actual cost of such work by the person or body re-
25 questing it.

1 (2) All moneys received by the Department in pay-
2 ment of the cost of work under paragraph (1) shall be
3 deposited in a special account to be administered under
4 the direction of the Secretary. These moneys may be used,
5 in the discretion of the Secretary, and notwithstanding any
6 other provisions of law, for the ordinary expenses incidental
7 to the work and/or to secure in connection therewith the
8 special services of persons who are neither officers nor em-
9 ployees of the United States.

10 (p) The Secretary is authorized to appoint, without
11 regard to the civil service laws, such advisory committees as
12 shall be appropriate for the purpose of consultation with and
13 advice to the Department in performance of its functions.
14 Members of such committees, other than those regularly em-
15 ployed by the Federal Government, while attending meet-
16 ings of such committees or otherwise serving at the request
17 of the Secretary, may be paid compensation at rates not
18 exceeding those authorized for individuals under subsection
19 (c) of this section, and while so serving away from their
20 homes or regular places of business, they may be allowed
21 travel expenses, including per diem in lieu of subsistence, as
22 authorized by section 5 of the Administrative Expenses Act
23 of 1946 (5 U.S.C. 73b-2) for persons in the Government
24 service employed intermittently.

1 CONFORMING AMENDMENTS TO OTHER LAWS

2 SEC. 9. (a) Section 19 (d) (1) of title 3, United
3 States Code, is hereby amended by inserting before the period
4 at the end thereof the following: “, Secretary of Trans-
5 portation”.

6 (b) Section 158 of the Revised Statutes (5 U.S.C. 1)
7 is amended by adding at the end thereof:

8 “Twelfth. The Department of Transportation.”

9 (c) The amendment made by subsection (b) of this
10 section shall not be construed to make applicable to the
11 Department any provision of law inconsistent with this Act.

12 (d) Section 303 of the Federal Executive Salary Act
13 of 1964 (78 Stat. 416, 5 U.S.C. 2211) is amended as
14 follows:

15 (1) Subsection (a) of that section is amended by add-
16 ing at the end thereof the following:

17 “(11) Secretary of Housing and Urban Develop-
18 ment.

19 “(12) Secretary of Transportation.”

20 (2) Subsection (c) of that section is amended by strik-
21 ing out “(6) Under Secretary of Commerce for Transporta-
22 tion” and inserting in lieu thereof “(6) Under Secretary of
23 Transportation”.

1 (3) Subsection (d) of that section is amended by add-
2 ing at the end thereof the following:

3 “(70) Assistant Secretaries, Department of Trans-
4 portation, (4). ”

5 “(71) General Counsel, Department of Trans-
6 portation.

7 “(72) Chairman, National Transportation Safety
8 Board, Department of Transportation.”

9 (4) Subsection (e) of that section is amended by adding
10 at the end thereof the following:

11 “(101) Assistant Secretary for Administration, De-
12 partment of Transportation.

13 “(102) Members, National Transportation Safety
14 Board, Department of Transportation (4).”

15 (5) Subsection (f) of that section is amended by strik-
16 ing out “thirty” and inserting in lieu thereof “thirty-nine”.

17 (6) That section is further amended by adding at the
18 end thereof the following new subsection:

19 “(h) The President is further authorized to place one
20 position in level III.”

21 (e) Subsections (b) (7), (d) (2), and (e) (12),
22 (13), (14), (76), and (82) of section 303 of the Federal

1 Executive Salary Act of 1964 (78 Stat. 416, 5 U.S.C.
2 2211) are repealed.

3 (f) Section 1020 of title 18, United States Code, is
4 amended by striking out "Secretary of Commerce" wherever
5 it appears therein and inserting in lieu thereof "Secretary of
6 Transportation".

7 (g) Subsection (1) of section 801 of title 10, United
8 States Code, is amended by striking out "the General Coun-
9 sel of the Department of the Treasury" and inserting in lieu
10 thereof "the General Counsel of the Department of Trans-
11 portation".

12 ANNUAL REPORT

13 SEC. 10. The Secretary shall, as soon as practicable after
14 the end of each fiscal year, make a report in writing to the
15 President for submission to the Congress on the activities of
16 the Department during the preceding fiscal year.

17 SAVINGS PROVISIONS

18 SEC. 11. (a) All orders, determinations, rules, regula-
19 tions, permits, contracts, certificates, licenses, and privi-
20 leges—

21 (1) which have been issued, made, granted, or al-
22 lowed to become effective—

23 (A) under any provision of law amended by
24 this Act, or

1 (B) in the exercise of duties, powers, or func-
2 tions which are transferred under this Act,
3 by (i) any department or agency, any functions of
4 which are transferred by this Act, or (ii) any court of
5 competent jurisdiction, and

6 (2) which are in effect at the time this Act takes
7 effect,

8 shall continue in effect according to their terms until modified,
9 terminated, superseded, set aside, or repealed by the Secre-
10 tary, Board, or General Counsel (in the exercise of any
11 authority respectively vested in them by this Act), by any
12 court of competent jurisdiction, or by operation of law.

13 (b) The provisions of this Act shall not affect any
14 proceedings pending at the time this section takes effect be-
15 fore any department or agency (or component thereof),
16 functions of which are transferred by this Act; but such
17 proceedings, to the extent that they relate to functions so
18 transferred, shall be continued before the Department. Such
19 proceedings, to the extent they do not relate to functions so
20 transferred, shall be continued before the department or
21 agency before which they were pending at the time of such
22 transfer. In either case orders shall be issued in such pro-
23 ceedings, appeals shall be taken therefrom, and payments
24 shall be made pursuant to such orders, as if this Act had not

1 been enacted; and orders issued in any such proceedings shall
2 continue in effect until modified, terminated, superseded, or
3 repealed by the Secretary, Board, or General Counsel (in
4 the exercise of any authority respectively vested in them by
5 this Act), by a court of competent jurisdiction, or by opera-
6 tion of law.

7 (c) (1) Except as provided in paragraph (2) —

8 (A) the provisions of this Act shall not affect suits
9 commenced prior to the date this section takes effect, and

10 (B) in all such suits proceedings shall be had, ap-
11 peals taken, and judgments rendered, in the same man-
12 ner and effect as if this Act had not been enacted.

13 No suit, action, or other proceeding commenced by or against
14 any officer in his official capacity of any department or
15 agency, functions of which are transferred by this Act, shall
16 abate by reason of the enactment of this Act. No cause of
17 action by or against any department or agency, functions of
18 which are transferred by this Act, or by or against any
19 officer thereof in his official capacity shall abate by reason of
20 the enactment of this Act. Causes of actions, suits, actions
21 or other proceedings may be asserted by or against the
22 United States or such official of the Department as may be
23 appropriate and, in any litigation pending when this section
24 takes effect, the court may at any time, on its own motion or

1 that of any party, enter an order which will give effect to the
2 provisions of this subsection.

3 (2) If before the date on which this Act takes effect,
4 any department or agency, or officer thereof in his official
5 capacity, is a party to a suit, and under this Act—

6 (A) such department or agency is transferred to the
7 Secretary, or

8 (B) any function of such department, agency, or
9 officer is transferred to the Secretary,

10 then such suit shall be continued by the Secretary (except in
11 the case of a suit not involving functions transferred to the
12 Secretary, in which case the suit shall be continued by the
13 department, agency, or officer which was a party to the suit
14 prior to the effective date of this Act).

15 (d) With respect to any function, power, or duty trans-
16 ferred by this Act and exercised after the effective date of this
17 Act, reference in any other Federal law to any department
18 or agency, officer or office so transferred or functions of which
19 are so transferred shall be deemed to mean the officer or
20 agency in which this Act vests such function after such
21 transfer.

22 **SEPARABILITY**

23 SEC. 12. If any provision of this Act or the application
24 thereof to any person or circumstances is held invalid, the

1 remainder of this Act, and the application of such provision
2 to other persons or circumstances shall not be affected
3 thereby.

4 CODIFICATION

5 SEC. 13. The Secretary shall propose to the Congress
6 within two years from the effective date of this Act, a codi-
7 fication of all laws that contain the powers, duties, and func-
8 tions transferred to or vested in the Secretary or the Depart-
9 ment by this Act.

10 EFFECTIVE DATE; INITIAL APPOINTMENT OF

11 OFFICERS

12 SEC. 14. (a) This Act shall take effect ninety days
13 after the Secretary first takes office, or on such prior date
14 after enactment of this Act as the President shall prescribe
15 and publish in the Federal Register.

16 (b) Any of the officers provided for in sections 3 or 5
17 of this Act may (notwithstanding subsection (a)) be ap-
18 pointed in the manner provided for in such sections, at any
19 time after the date of enactment of this Act. Such officers
20 shall be compensated from the date they first take office, at
21 the rates provided for in sections 5 and 10 of this Act.
22 Such compensation and related expenses of their offices shall

- 1 be paid from funds available for the functions to be trans-
- 2 ferred to the Department pursuant to this Act.

Passed the House of Representatives August 30, 1966.

Attest:

RALPH R. ROBERTS,

Clerk.

89TH CONGRESS
2^D Session

H. R. 15963

AN ACT

To establish a Department of Transportation,
and for other purposes.

SEPTEMBER 1, 1966

Read twice and referred to the Committee on
Government Operations

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D. C. 20250
OFFICIAL BUSINESS

POSTAGE AND FEES PAID
U. S. DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

Issued Sept. 23, 1966
For actions of Sept. 22, 1966
89th-2nd; No. 161

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HIGHLIGHTS: Senate agreed to conference report on bill to authorize additional supergrade positions. Senate committee reported bills to revise Seed Act and authorize holding of prepayments on FHA loans. Senate committees voted to report poverty and Transportation Dept. bills. House subcommittee approved bill providing adjustment of Defense milk contracts when USDA orders prices raised. House committees voted to report packaging and labeling and disaster relief bills.

SENATE

1. **SUPERGRADES.** Agreed to the conference report on S. 2393, to authorize 300 additional positions at GS-16, 17, and 18. This bill will now be sent to the President. pp. 22693-4
2. **LABOR-HEW APPROPRIATION BILL.** The Appropriations Committee reported with amendments this bill, H. R. 14745, which is to be debated Mon. (S. Rept. 1631). p. 22676

3. LOANS. The Agriculture and Forestry Committee reported without amendment H. R. 15510, to authorize the Department to hold prepayments made by insured-loan borrowers and transmit them to the holders of the notes in installments as they become due (S. Rept. 1633). p. 22676
Sen. Eastland commended the program for FHA loans and grants for water supply and waste disposal. p. 22707
4. SEED. The Agriculture and Forestry Committee reported with amendments H. R. 15662, to revise the Federal Seed Act (S. Rept. 1632). p. 22676
5. TAXATION. Sen. Proxmire claimed the proposed investment-credit suspension would take \$100 million annually out of the pockets of farmers. p. 22690
6. PERSONNEL; EXPENDITURES. Sen. Williams, Del., criticized "excessive" Federal employment and said the freeze at present levels is an "insult to the intelligence of ...taxpayers." pp. 22696-7
7. CHILD NUTRITION. Sen. Proxmire commended action on the child nutrition bill. p. 22720
8. CORN. Sen. Miller commended the work of the Corn Refiners Association, Inc. pp. 22725-6
9. TARIFFS. Sen. Smathers gave a situation report on Kennedy Round tariff negotiations. pp. 22727-31
10. SEA-GRANT COLLEGES. Conferees were appointed on H. R. 16559, to authorize sea-grant colleges. House conferees have been appointed. p. 22748
11. BUILDINGS. Received from GSA a proposed bill "to amend the Public Buildings Act"; to Public Works Committee. p. 22676
12. EXPOSITION. The Foreign Relations Committee voted to report (but did not actually report) H. R. 15098, to provide for U. S. participation in the HemisFair 1968 Exposition, to be held in San Antonio. pp. D907-8
13. TRANSPORTATION. The Government Operations Committee voted to report (but did not actually report) S. 3010, to create a Department of Transportation. p. D908
14. POVERTY. The Labor and Public Welfare Committee voted to report (but did not actually report) S. 3164, to amend the Economic Opportunity Act. As approved, the bill would authorize \$2.496 billion for the fiscal year 1967. p. D908
15. ADJOURNED until Mon., Sept. 26. p. 22748

HOUSE

16. MILK PRICES. A subcommittee of the Armed Services Committee approved for full committee action H. R. 17500, amended, to provide for price adjustments in contracts for procurement of milk by the Department of Defense. p. D909
17. PACKAGING AND LABELING. The Interstate and Foreign Commerce Committee voted to report (but did not actually report) H. R. 15440, amended, to prevent the use of unfair or deceptive methods of packaging or labeling of certain consumer

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D. C. 20250
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POSTAGE AND FEES PAID
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OFFICE OF BUDGET AND FINANCE
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Issued Sept. 29, 1966
For actions of Sept. 28, 1966
89th-2nd; No. 164

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HIGHLIGHTS: House debated poverty bill. Both Houses passed continuing appropriations measure. Rep. Kastenmeier introduced and discussed bills to provide family farm financing, milk indemnity programs, and school lunch priorities.

HOUSE

1. **POVERTY.** Continued debate on H. R. 15111, to continue various programs under the Economic Opportunity Act. Agreed to several amendments regarding the Job Corps. pp. 23136-95, 23226-44
2. **APPROPRIATIONS.** Both Houses passed without amendment H. J. Res. 1308, continuing appropriations, pending enactment of the remaining regular appropriation bills, through Oct. 22. This measure will now be sent to the President. Rep. Mahon inserted a summary of action on budget estimates in appropriation bills during this session. pp. 23128-33, 23341-2

3. FOOD FOR PEACE. Rep. McCormack inserted a letter from Secretary Rusk favoring the conference committee's provision regarding trade with North Vietnam or Cuba in H. R. 14929, the food-for-peace bill. pp. 23127-8
4. DAIRY INDUSTRY. Rep. Randall asked consideration of the possibility of deferring dairymen from selective service. p. 23214
5. HISTORIC SITES; BANKING; TAXATION. The Rules Committee reported a resolution for consideration of S. 3035, to establish a program for preservation of additional historic properties throughout the Nation; H. R. 17899, to strengthen and regulatory and supervisory authority of Federal agencies over insured banks and insured savings and loan associations, etc.; and H. R. 17607, to suspend the investment credit and allowance of accelerated depreciation in the case of certain real property. p. 23246
6. HOLIDAYS. The Judiciary Committee reported H. R. 15699, to establish a Commission on National Observances and Holidays to consider proposals for such occasions and make recommendations to the President (H. Rept. 2105). p. 23246
7. LANDS. The Interior and Insular Affairs Committee reported with amendment S. 1674, to authorize the Interior Department to make disposition of geothermal steam and associated resources (H. Rept. 2140). p. 23246
8. DISASTER RELIEF. The Public Works Committee reported with amendment S. 1861, to provide additional assistance for areas suffering a major disaster (H. Rept. 2141). p. 23246
9. SALT WATER; ELECTRIFICATION. The Joint Atomic Energy Committee reported H. R. 17558, to authorize the Atomic Energy Commission to enter into a cooperative arrangement for a large-scale combination nuclear power-desalting project (H. Rept. 2145). p. 23246
10. RETIREMENT. The Post Office and Civil Service Committee voted to report (but did not actually report) S. 699, to provide for inclusion of periods of reemployment of annuitants under the Civil Service Retirement Act for the purpose of computing annuities of their surviving spouses. p. D927

SENATE

11. LABOR-HEW APPROPRIATION BILL. Passed, 65-3, with amendments this bill, H. R. 14745. Senate conferees were appointed. pp. 23289-344
12. TRANSPORTATION. The Government Operations Committee reported without recommendation H. R. 15963, and with amendment S. 3010, to establish a Department of Transportation (S. Repts. 1660, 1659) (p. 23249). S. 3010 was printed in the Record and made the unfinished business (~~pp. 23356-63~~).
13. FORESTRY. Received from the Comptroller General a report on "need for effective controls over timber-cutting practices in Pacific Northwest Region, Forest Service"; to Government Operations Committee. pp. 23249-50
14. FOREIGN-AID APPROPRIATION BILL. The Appropriations Committee reported with amendments this bill, H. R. 17788 (S. Rept. 1663) p. 23250

ESTABLISHING A DEPARTMENT OF TRANSPORTATION, AND FOR OTHER PURPOSES

SEPTEMBER 27, 1966.—Ordered to be printed

Filed under authority of the order of the Senate of September 27, 1966

Mr. McCLELLAN, from the Committee on Government Operations,
submitted the following

REPORT

together with

ADDITIONAL VIEWS

[To accompany S. 3010]

The Committee on Government Operations, to which was referred the bill (S. 3010) to establish a Department of Transportation, and for other purposes, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

The amendment is in the nature of a substitute.

PURPOSE

The purpose of S. 3010 as amended, is to centralize in one new Cabinet-level department the responsibility for leadership in the development, direction, and coordination of the principal transportation policies, functions, and operations of the Federal Government which are now carried on by some 100,000 Federal employees in several departments, agencies, and independent regulatory agencies and elements thereof, involving annual expenditures approximating \$6 billion; and to provide within the Federal Government a focal point of responsibility for transportation safety.

The bill as amended seeks to accomplish this objective by establishing a Department of Transportation to which would be transferred the major transportation agencies and functions of the Federal Government, other than the economic regulatory functions of the Interstate Commerce Commission, the Civil Aeronautics Board, the Federal Maritime Commission, and the Federal Power Commission; and

by transferring to the Secretary, modal Administrators, and a newly created National Transportation Safety Board all of the transportation safety responsibilities which are now vested in agencies throughout the Government. Although some 35 Federal agencies currently have transportation responsibilities, only those agencies or functions would be transferred which are more closely related to the major purpose of the Department of Transportation than they are to their principal organizational bases.

S. 3010 was introduced by Senator Warren G. Magnuson at the request of the President of the United States, in order to implement one of the principal proposals contained in the President's transportation message, dated March 2, 1966, proposing, among other things, the establishment of a Department of Transportation and a National Transportation Safety Board.

SUMMARY OF PRINCIPAL PROVISIONS OF S. 3010, AS AMENDED

ORGANIZATION OF DEPARTMENT

S. 3010, as amended, would establish a Department of Transportation, headed by a Secretary of Transportation, an Under Secretary, four Assistant Secretaries, a General Counsel, and an Assistant Secretary for Administration. The four Assistant Secretaries have no specified statutory duties but would perform such duties and functions as the Secretary may direct.

The principal operating agencies within the Department would be a Federal Aviation Administration, a Federal Highway Administration, a Federal Maritime Administration, a Federal Railroad Administration, and the U.S. Coast Guard. Each of these operating agencies would be headed by an Administrator, except for the Coast Guard which would continue to be headed by the Commandant; and all of the principal officers named above, including the modal Administrators, and a Deputy Administrator in the case of aviation, along with the Commandant, would be appointed by the President, subject to Senate confirmation.

The committee amendment further establishes within the Department an independent bipartisan National Transportation Safety Board, composed of five Presidentially appointed members, subject to Senate approval, with tenure. Finally, there is established within the Department an independent, bipartisan Maritime Board, with the Federal Maritime Administrator serving as Chairman, and two other Presidentially appointed members, to handle maritime subsidy matters.

AGENCIES AND FUNCTIONS TRANSFERRED

S. 3010, as amended, would transfer to the new Department the following agencies and functions:

1. *The Federal Aviation Agency*, in its entirety, with all of its functions. It will continue to carry out all of its present functions in the new Department.

2. *The Bureau of Public Roads, Department of Commerce*, together with the Federal-aid highway program which it administers, as well as its numerous other highway activities.

3. *The Office of the Under Secretary of Commerce for Transportation*, together with all of the transportation functions now vested in the

Secretary of Commerce and other officers and offices of the Department of Commerce under various statutes, including the high-speed ground transportation program.

4. *The Federal Maritime Administration, Department of Commerce*, with its operating-differential and construction, differential subsidy programs for the U.S. merchant Marine and shipping industry.

5. *The U.S. Coast Guard, Department of the Treasury*, together with the functions of the Secretary of the Treasury which relate to the Coast Guard.

6. *The Great Lakes Pilotage Administration, Department of Commerce*, together with its functions of administering the Great Lakes Pilotage Act of 1960 which provides for the establishment of an effective system of regulated pilotage on the Great Lakes.

7. *The safety functions of the Civil Aeronautics Board*, including the responsibility for investigating and determining the probable cause of aircraft accidents and its appellate safety functions involving review on appeal of the suspension, modification, or denial of certificates or licenses.

8. *Interstate Commerce Commission functions* relating to railroad safety laws, and hours of service of employees; motor carrier safety laws; transportation of explosives; and, standard time zones and daylight saving time.

9. *Those functions of the Secretary of the Army, performed by the Corps of Engineers, which relate to anchorages, bridges, and tolls.*

10. *The St. Lawrence Seaway Development Corporation*, which would be under the direction and supervision of the Secretary of Transportation instead of the Secretary of Commerce.

11. *The Alaska Railroad*, now under the direction and supervision of the Secretary of the Interior.

12. *The functions, powers, and duties vested in the Secretary of Commerce by the National Traffic and Motor Vehicle Safety Act of 1966 and the Highway Safety Act of 1966.*

HEARINGS

The committee held 9 days of hearings on S. 3010, receiving testimony from 58 witnesses representing the executive branch, independent regulatory agencies, industry, labor, and the public. In addition, 36 exhibits and 50 statements and communications were incorporated into the hearing record which is contained in 4 volumes totaling 743 pages.

The principal issues which emerged from the hearings related primarily to (1) clarification of the respective roles of the Secretary and the Department of Transportation and the Congress with respect to national transportation policy; (2) assurance of the operational continuity and integrity of the agencies transferred; (3) provision for Presidential appointment with Senate confirmation of the heads of the modal operating agencies within the Department; (4) assurance of complete independence of the National Transportation Safety Board with respect to its adjudicatory and appellate functions; (5) the continued separation of accident investigations and determination of probable cause in major air accidents from the operating agency; (6) assurance of the application of the Administrative Procedures Act to the issuance of safety regulations and other quasi-legislative and quasi-judicial actions by the Secretary of Transportation, the

Administrators, the Maritime Board, and the National Transportation Safety Board, as provided in existing law; (7) transfer of all urban mass transit functions and responsibilities from the Department of Housing and Urban Development to the Department of Transportation; (8) the retention by the Interstate Commerce Commission of all of its car-service functions including those relating to the supply of freight cars, distribution and fixing of per diem and demurrage rates; and (9) the effect of transportation investment standards on certain programs, such as the multipurpose water resource projects of the Corps of Engineers.

In addition to the broader issues listed above, there was a substantial amount of testimony in favor of (1) Assistant Secretaries for each of the principal modes of transportation; (2) retention of the present independent status of the Federal Aviation Agency as well as retention by the Civil Aeronautics Board of all of its present safety functions; (3) retention by the Federal Highway Administrator of his present responsibilities and functions; (4) elimination of the multipurpose water resource projects from the requirements of section 7; (5) retention by the Interstate Commerce Commission of all of its present safety functions; and (6) establishment of a Federal Maritime Administration as an independent agency outside of and apart from the Department of Transportation.

COMMITTEE ACTION AND COMMITTEE AMENDMENT IN THE NATURE OF A SUBSTITUTE

Following an analysis of the testimony, statements, communications and exhibits received at the hearings, the committee adopted numerous amendments which have been incorporated in the bill. In general, the committee amendment is designed to (1) clarify provisions relative to policy and purpose; (2) incorporate recommendations made at the hearings which were deemed to have merits; (3) insure operational continuity and the integrity of the transferred agencies; (4) insure that transportation safety functions will be handled exclusively by qualified professionals, experts and technicians; (5) reorganize certain sections of the bill in order to achieve an orderly arrangement; (6) incorporate certain necessary technical amendments; and (7) to conform, wherever possible, the language of the Senate bill with that of the House-passed act.

POLICY AND PURPOSE

Policy and purpose are set forth in sections 2 and 4 of S. 3010. During the hearings, considerable testimony was received which raised questions concerning the respective roles of the Secretary of Transportation and the Congress relative to national transportation policy. Particular concern was expressed with regard to the impact of the provisions of these sections on existing transportation policy, and suggestions were made that language be included which would make certain that the Secretary would be required to function within the framework of the very considerable body of such policy enacted by the Congress over a period of many years.

In order to clarify the respective roles of the Secretary of Transportation and the Congress with respect to national transportation policies, language was added to section 2 requiring the Secretary to

make recommendations with respect to national transportation policies and their implementation to the President and the Congress. S. 3010, as introduced, was silent as to the recipients of these recommendations.

An additional amendment was added to section 2 declaring it to be national policy that, in carrying out the provisions of this act, special effort be made to preserve the national beauty of the countryside and public park and recreational lands, wildlife and waterfowl refuges and historic sites.

Subsection 4(a) of S. 3010, as introduced, details the specific duties and areas of responsibility of the Secretary with respect to various transportation policies and programs and requires him to *develop* such policies and programs and make recommendations for their implementation. In order to clarify the respective roles of the Secretary and the Congress, the committee amended this language so as to require the Secretary to *provide leadership* in the development of such policies and programs, and to make recommendations for their implementation to the President and the Congress.

Additional amendments to subsection 4(a) require the Secretary to (1) include noise abatement, with particular reference to aircraft noise, in connection with his responsibility for the promotion and undertaking of research and development in all modes and types of transportation services and facilities; and (2) to consult with the heads of other Federal departments and agencies engaged in the procurement of transportation or the operation of their own transport services to encourage them to establish and observe policies consistent with the maintenance of a coordinated transportation system operated by private enterprise.

The noise abatement provision was deemed necessary in view of the increasing use of jet aircraft in and around urban and suburban areas, resulting in a large volume of complaints concerning the noise from local residents. The consultation amendment was added in order to insure maximum coordination with respect to transportation policies among Government agencies.

A new subsection 4(b)(1) has been added which requires that the Secretary, in carrying out his duties and responsibilities under this act, be governed by all applicable statutes, including the policy standards set forth in all of the principal transportation statutes, each of which is specifically referred to. This was intended to eliminate any possible doubt concerning the effect of S. 3010 on existing transportation law, to clarify the role of the Congress with respect to such law, and to make certain that the Secretary will be required to perform his duties within the framework of, and subject to, all of the national transportation policies already enacted by the Congress.

A new subsection 4(b)(2) has been added which provides that nothing in the act shall be construed to authorize the adoption, revision or implementation of any transportation policy or investment standards or criteria contrary to or inconsistent with any act of Congress. This was intended as a further safeguard against possible action by the Secretary which might contravene policies and programs provided for in existing law.

A new subsection 4(f) was added which requires the Secretary of Transportation to cooperate and consult with the Secretaries of the Interior; Health, Education, and Welfare; Agriculture and with the States in all transportation plans and programs; and, after the effective date of the act, the Secretary would not be permitted to approve

any project or plan requiring the use of land from a public park, recreational area, wildlife and waterfowl refuges, historical sites, unless there is no feasible alternative to the use of such land and such plans include all possible planning to minimize harm to such area. This, and the policy statement in section 2, are designed to insure that in planning highways, railroad rights-of-way, airports and other transportation facilities, care will be taken, to the maximum extent possible, not to interfere with or disturb established recreational facilities and refuges.

OPERATIONAL CONTINUITY AND INTEGRITY OF TRANSFERRED
AGENCIES—AVIATION, HIGHWAY, RAILROAD, AND MARITIME

Following an examination of testimony at the hearings, the committee was convinced of the need to maintain the integrity and operational continuity of the transferred agencies. In order to accomplish this, the committee added several amendments to section 3, which deals with the establishment and organization of the Department, and to section 6, which deals with transferred functions.

A new subsection 3(e)(1) was added which directs the Secretary to establish four modal operating Administrations (Aviation, Highway, Railroad, and Maritime), each headed by an Administrator appointed by the President, subject to Senate confirmation, and, in the case of aviation, the present Presidentially appointed Deputy Administrator was retained.

In a new subsection 3(e)(2), it was provided that all of the existing technical qualifications which are required of the present Administrator and Deputy Administrator of the Federal Aviation Agency will apply to the newly established office of Federal Aviation Administrator and his Deputy.

In subsection 3(e)(3), it was provided that the Administrators and the commandant of the Coast Guard shall report directly to the Secretary and that they were to carry out such functions, powers, and duties as the Secretary may prescribe and such additional functions as specified in this act; and in a new subsection 3(e)(4), it was provided that the functions, powers, and duties specified in this act to be carried out by each Administrator shall not be transferred elsewhere in the Department unless specifically provided for by reorganization plan or by statute; and by a new subsection 9(f)(3), the modal Administrators may not delegate any of the statutory duties and responsibilities specifically assigned to them by this act outside of their respective administrations.

By amendments to subsection 6 (c), (d) and (e), all of the statutory functions, powers and duties transferred to the Secretary pertaining to safety are to be exercised by the Federal Aviation, Railroad and Highway Administrators, and their decisions regarding safety are made administratively final and not subject to Secretarial review; they are appealable, however, directly to the National Transportation Safety Board, the courts, or both, as appropriate. In the case of the Federal Aviation Administrator, it is provided, in subsection 6(c), that certain functions, powers, and duties of the Federal Aviation Agency and its Administrator are further transferred to, and are to be exercised by the Federal Aviation Administrator.

With respect to maritime matters, the committee heard considerable testimony in support of an independent Maritime Adminis-

tration. On the other hand, there were compelling reasons to retain this important mode of transportation within the Department. Accordingly, in order to strike a balance between these positions, the committee adopted several amendments to subsection 6(a).

Subsection 6(a)(5) (C) and (D) established an independent, bipartisan Maritime Board composed of the Federal Maritime Administrator and two other members, appointed by the President, subject to Senate confirmation, to serve 4-year terms. The Board would be responsible for maritime subsidy and related matters, including ship construction-differential subsidy. The Board members would be placed at level IV of the Federal Executive Salary Act of 1964; the decisions of the Board, made pursuant to the exercise of the functions, powers, and duties enumerated in this subsection, are made administratively final and appeals authorized by law would be taken directly to the courts. The committee also adopted a conforming amendment to subsection 3(e)(4) to include the Maritime Board among the agencies whose functions, powers, and duties cannot be transferred elsewhere in the Department, unless specifically provided for by reorganization plan or by statute.

Thus, with respect to maritime matters, all of the functions, powers, and duties of the Secretary of Commerce, pertaining to maritime matters, now handled by the Maritime Administration of the Department of Commerce, would be transferred to the Secretary of Transportation. These functions, powers, and duties would be transferred within the Department to the Federal Maritime Administrator who would exercise certain functions, while the Maritime Board would carry out those quasi-judicial functions pertaining to maritime subsidies and related matters. The Board's decision with respect to these matters would be administratively final, subject only to judicial review.

S. 3010, as introduced, provided in subsection 4(j) that orders and actions of the Secretary or the National Transportation Safety Board, in the exercise of functions, powers, and duties transferred under this act, would be subject to judicial review to the same extent and in the same manner as if such orders and actions had been issued and taken by the agency from which the functions were transferred. In order to preserve existing legal rights, this provision, which now appears in subsection 4(c), has been amended to include judicial review of orders and actions of the Administrators, and Maritime Board taken pursuant to functions specifically assigned to them by this act.

The bill further provided, in subsection 4(k), that the Secretary, in the exercise of the functions transferred to him under this act, shall have the same powers that are vested in the agency originally exercising such functions, immediately preceding the transfer. In a further effort to achieve operational continuity, this provision, which now appears in subsection 4(c), has been amended to include continuity of authority for the Administrators, the National Transportation Safety Board and the Maritime Board, with respect to the functions, powers and duties transferred to them, in view of the important functions they will have under the committee amendment.

Any office or agency, other than the Coast Guard, all of whose functions, powers, and duties are transferred pursuant to this act, will lapse and cease to exist. However, provision is made to safeguard the positions of those holding positions in such offices or agencies on the effective date of the act, who are compensated under the Federal

executive salary schedule. Any such person, if appointed, without a break in service to a position having comparable duties to those performed immediately preceding his appointment, will continue to be compensated at not less than the rate provided for his previous position, for the duration of his service in his new position.

THE NATIONAL TRANSPORTATION SAFETY BOARD

Section 5 of S. 3010, as introduced, provided that the Board shall exercise those functions, powers, and duties transferred to the Secretary by sections 6 and 8 of this act with regard to (1) determining the probable cause of transportation accidents and reporting the facts, conditions, and circumstances of each accident; and (2) review on appeal of the suspension, amendment, modification, revocation or denial of any certificate or license issued by the Secretary.

According to the language of the bill, as well as the testimony of administration witnesses, it was intended that the Board would function within the Department, but independently of the Secretary and the Department. Numerous witnesses, as well as committee members, expressed serious doubt as to the ability of the Board to maintain its independence, since it would be dependent upon the Secretary for funds, personnel and administrative support, and the primary operating functions which it would exercise would be those which had been transferred to the Secretary.

In order to insure the complete independence of the National Transportation Safety Board, at least with respect to its functions of determining probable cause in transportation accidents and reviewing on appeal denials, suspensions, revocations, etc., of certificates or licenses issued by the Secretary, the committee adopted an amendment to subsection 5(b) which provides that the powers, functions, and duties transferred to the Secretary by sections 6 and 8 of the act would be further transferred to the Board to exercise the same with regard to determinations of probable cause and review on appeal of licensing and certificate denials.

With respect to transportation safety, in general, and accident investigations, in particular, S. 3010, as introduced, limited the authority of the Board to *making recommendations to the Secretary* concerning (1) transportation safety, (2) the conduct of special studies pertaining to safety in transportation and the prevention of accidents, (3) the initiation of accident investigations, and (4) rules, regulations and procedures for the conduct of accident investigations. The actual conduct of such investigations was vested in the Secretary who was expected to delegate the exercise of this authority to the modal Administrators, except in aviation accidents which were to be handled by an Office of Accident Investigations, to be established by the Secretary by departmental action, as part of his Office.

The committee took the view that if the Board was to play a significant and meaningful role in, and serve as the focal point in the Federal establishment for, transportation safety, its powers, functions and duties would have to be strengthened considerably. Accordingly, the committee added a new subsection 5(d) which would authorize the Board to (1) make such recommendations to the Secretary or administrators on the basis of the exercise of its functions, powers and duties which will tend to prevent transportation accidents to promote transportation safety; (2) conduct special studies on matters pertain-

ing to safety in transportation and the prevention of accidents; (3) insure that in cases in which it is required to determine cause or probable cause, reports of investigation adequately state the circumstances of the accident involved; (4) initiate, on its own motion, or conduct rail, highway or pipeline accident investigations as it deems necessary or appropriate; (5) make recommendations to the Secretary or appropriate administrator concerning rules, regulations, and procedures for the conduct of accident investigations; (6) request the Secretary or appropriate administrator to initiate specific accident investigations or conduct further investigations as the Board determines to be necessary or appropriate; (7) arrange for the personal participation of members or other personnel of the Board in accident investigations conducted by the Secretary or appropriate administrator in such cases as it deems appropriate; and (8) request from the Secretary or appropriate administrator notification of transportation accidents and reports of such accidents as the Board deems necessary.

It is expected, however, that the Board will exercise its authority to conduct its own investigations sparingly, and only in unusual situations, such as accidents involving unique equipment, catastrophic accidents when there is great loss of life, or accidents in which there is a special public interest.

A new subsection 5(e) was adopted requiring that the Board, except as otherwise provided by statute, make public all reports, orders, decisions, rules and regulations that it issues as well as every recommendation it makes to the Secretary or an administrator, every special study it conducts and every action of the Board requiring the Secretary or an Administrator to take action pursuant to subsection 5(d) of the act.

AVIATION SAFETY

One of the most troublesome problems facing the committee was the organization within the Department, and the assignment of functions, for aviation safety. Since the enactment of the Federal Aviation Act of 1958, the FAA has been responsible for operating the air navigation system, regulating air commerce so as to promote its safety, and prescribing minimum standards for the certification of airmen and for design, materials and workmanship of aircraft construction and maintenance, among other things; the CAB has statutory responsibility for investigating accidents involving civil aircraft, determining the cause or probable cause of such accidents and making public reports thereon. The FAA may, and often does, participate in such investigations at the request of the CAB, by furnishing technical field staffs. The CAB has delegated its accident investigation function in nonfatal accidents involving small aircraft to the FAA, although the probable cause in such cases is determined by the CAB. However, the statutory responsibility for air accident investigations is vested by law in the CAB.

This arrangement was deliberately and carefully developed as a legislative formula and incorporated in the 1958 act so as to place the responsibility for accident investigations and the determination of probable cause functions in an agency (CAB) which is separate and apart from the agency charged with operating the air navigation system and maintaining air safety (FAA). In addition, the 1958 act vested in the CAB the function of reviewing on appeal the sus-

pension, amendment, modification, or denial of any certificate or license issued by the FAA.

S. 3010, as introduced, would have transferred to the Secretary of Transportation all of the safety functions, powers, and duties now vested in the FAA and the CAB; the National Transportation Safety Board was to exercise the CAB's functions of determining probable cause and reviewing on appeal certificate and licensing actions. The accident investigation functions of the CAB were to be transferred to the Secretary who was to assign them to an Office of Accident Investigations, to be established by departmental order, separate and apart from the operating component responsible for carrying out the Secretary's aviation safety functions.

At the hearings on S. 3010, considerable concern was expressed regarding the advisability of altering the present accident investigation and safety procedures followed by the FAA and the CAB in aviation accidents, particularly in view of the fact that the statutory scheme established in the 1958 act has been successful. The consensus of the testimony was that the public interest would be furthered by eliminating these transfers and agencies from the Department, or by permitting the CAB to retain the accident investigation and determination of probable cause functions which it now performs pursuant to title VII of the Federal Aviation Act of 1958, as amended. Particular emphasis was placed upon the established tradition of having a separate accident investigation staff for certain types of aviation accidents.

The administration contended that under S. 3010, the present arrangement with respect to accident investigations and aviation safety would be preserved by (1) those provisions of section 5 which provide that the National Transportation Safety Board, an independent agency within the Department, would be required to exercise those functions now performed by the CAB with respect to probable cause and review on appeal; and (2) the planned separation of the accident investigation functions which would be vested in an Office of Accident Investigations, a proposed staff agency, completely independent of the operating unit, the Federal Aviation Administration.

The committee concluded that S. 3010 should be amended to (1) make absolutely certain that the present statutory scheme which separates the accident investigation functions from the operating agency be continued by statute; and (2) insure the complete independence of the National Transportation Safety Board in connection with the exercise of the probable cause and certification and licensing appeals functions, now vested in the CAB.

In order to accomplish this objective, the committee amended subsection 5(b) so as to provide that the functions, powers, and duties transferred to the Secretary by sections 6 and 8 of the act be further transferred to the Board which is to exercise them with respect to the determination of probable cause and review on appeal in licensing and certification cases. A new subsection 5(c) was added which provides that the Board shall exercise the aviation accident investigation functions, powers, and duties transferred to the Secretary by subsection 6(d) of the act. As a further safeguard, subsection 6(c) was amended to provide that the functions, powers, and duties of the FAA and its Administrator transferred to and vested in the Secretary, would then

be further transferred to the Federal Aviation Administrator who would be required to exercise specific functions, powers, and duties relating to aviation safety; and that his decisions, made pursuant to the exercise of those functions, would be administratively final and appeals as authorized by law or this act shall be taken directly to the National Transportation Safety Board, or the courts, as appropriate.

The committee amended subsection 6(d) to provide that the accident investigation functions of the CAB, which are transferred to and vested in the Secretary, would then be further transferred to the National Transportation Safety Board which would be required to exercise them. Decisions of the Board, made pursuant to the exercise of the functions enumerated in this subsection, shall be administratively final; and appeals therefrom as authorized by law or this act shall be taken directly to the courts.

The effect of these amendments is that all of the functions, powers, and duties of the CAB, with respect to aviation safety and accident investigations, will be transferred to and exercised by the National Transportation Safety Board, thus insuring, by statute, that all of the CAB's aviation safety functions will be exercised by an independent agency; and that the accident investigation functions will be performed by a component within the Department which is separate and apart from the operating unit—the Federal Aviation Administration.

Concerning aviation accidents, this arrangement would continue the traditional separation between the FAA and the CAB by assigning the CAB's probable cause and accident investigation functions to the National Transportation Safety Board. It would also enable the continuation of the existing practice whereby the CAB delegates to the FAA responsibility for certain categories of investigations, particularly nonfatal accidents, involving small aircraft.

MAJOR RESPONSIBILITIES OF THE SECRETARY

The committee amendment vests in the Secretary of Transportation the responsibility for providing general leadership in the development of national transportation policies and programs; making recommendations to the President and the Congress for their implementation; promoting and undertaking the development, collection, and dissemination of technological, statistical, economic, and other information relevant to domestic and international transportation; promoting and undertaking research and development in and among all modes and types of transportation services and facilities, including noise abatement, with particular attention to aircraft noise; the development of standards and criteria for the formulation and economic evaluation of all proposals for the investment of Federal funds in transportation, with certain stated exceptions, including water resource projects; and the coordination of all of the farflung transportation activities of the Federal Government. In addition, as noted above, he will also be vested with all of the administrative and promotional functions, powers, and duties transferred to the Department, including those relative to all modes of transportation which do not related to safety and maritime subsidy.

In view of the vast area of heavy responsibilities and functions which will be vested in the Secretary, the committee deemed it in the public interest to vest sole authority for all transportation safety decisions in the modal Administrators and in the National Transporta-

tion Safety Board. Safety is highly technical in nature and requires the knowledge, experience and judgment of highly trained and experienced technical specialists. By vesting sole authority for safety matters in trained experts, the committee believes that any possible semblance of political influence will be eliminated, and the Secretary will be free to devote his efforts to the numerous other duties, functions, and responsibilities which would be vested in him. Furthermore, this action would be entirely consistent with the administration's proposal to vest primary overall responsibility for transportation safety in the National Transportation Safety Board.

Although the safety functions pertaining to rail, pipeline, and highway safety would not be further transferred from the Secretary to the respective Administrators, as is the case with the FAA, the committee amendment would require that they be carried out by these Administrators.

Under the provisions of section 6, all authority for the Coast Guard to conduct casualty and personnel investigations is transferred to the Secretary. It is expected that the authority will be delegated to the Commandant of the Coast Guard under authority granted the Secretary by this bill. Investigations of marine casualties and procedures will be carried out by Coast Guard personnel, as is now the case.

As noted earlier, the four Assistant Secretaries have no specific statutory duties, but would perform such functions as the Secretary may direct. Senator Magnuson and other witnesses suggested that consideration be given to an Office of Passenger Transportation, headed by an Assistant Secretary, and an Office of Transport Mergers in the new Department. While the committee recognizes that the needs of the traveling public, and transport merger policy, should be a prime concern of the new Department, it does not appear that this should be tied for the indefinite future to any particular organizational structure in the enabling legislation. The committee strongly urges the Secretary of Transportation to make promotion of passenger service and representation of the public in passenger merger proceedings a prime concern, and to that end to assign to an Assistant Secretary or other appropriate official in the new Department these important duties.

TRANSPORTATION INVESTMENT STANDARDS

Subsection 7(a) of S. 3010, as introduced, would have required the Secretary of Transportation to develop standards and criteria for the formulation and economic evaluation of all proposals for the investment of Federal funds in transportation facilities or equipment, with certain stated exceptions (purchase of transportation facilities for agency use, an interoceanic canal, defense features included at the direction of the Department of Defense and foreign aid). The standards and criteria for economic evaluation of the transportation features of multipurpose water resource projects were to be developed by the Secretary after consultation with the Water Resources Council, and were required to be compatible with the standards and criteria for economic evaluation applicable to nontransportation features of such projects. Standards and criteria developed pursuant to this subsection were to be promulgated by the Secretary upon their approval by the President.

Subsection 7(b) required that every survey, plan or report formulated by a Federal agency which includes a proposal as to which the Secretary has issued standards and criteria pursuant to subsection (a), be prepared in accordance with those standards and criteria and on the basis of transportation data furnished by the Secretary of Transportation and coordinated by the proposing agency with the Secretary and other Government agencies before transmission to the President for appropriate disposition.

During the hearings, considerable concern was expressed by witnesses, as well as by committee members, regarding the effect of this section on congressionally-approved transportation investment projects, in general, and upon the future of multipurpose water resource projects, in particular. Questions were also raised as to the effect of section 7 on the present role of the Corps of Engineers in the planning and development of multipurpose water resource projects. Finally, the committee received testimony to the effect that the authority to establish standards and criteria for the evaluation of water resources projects has been placed by the Congress in the Water Resources Council, when it enacted Public Law 89-80; and that since November 1964, when the Bureau of the Budget changed the criteria for the economic evaluation of water resources projects from the current rates to water-compelled rates, not a single project has been approved.

The committee recognizes that there is a need for orderly procedures within the Federal Government in the determination of allocations of Federal funds for investment in transportation facilities and equipment. Therefore, it was decided to retain this section, after amending it so as to correct its defects and omissions, despite the fact that the House of Representatives eliminated it from the House-passed act. Accordingly, the committee adopted amendments to subsection 7(a) which (1) added water resource projects as a fifth exemption from the Secretary's authority to establish standards and criteria for the economic evaluation of Federal transportation investments; (2) provided for approval by the Congress, instead of by the President, of standards and criteria developed by the Secretary prior to their promulgation; (3) provided for the development by the Water Resources Council of standards and criteria for the economic evaluation of water resource projects; (4) established a definition of primary direct navigation benefits of water resource projects, thus restoring the criteria followed by the Corps of Engineers prior to November 1964, when the Bureau issued new criteria for the evaluation of such projects; and (5) includes the Secretary of Transportation as a member of the Water Resources Council on matters pertaining to navigation features of water resource projects.

By way of explanation, the committee adopted the first amendment, exempting water resource projects from the criteria to be established by the Secretary of Transportation because navigation is a major function of any total concept of water resource development and, therefore, other phases of water resource development should not be influenced by standards and criteria established for application to problems related solely to transportation. The second amendment struck out the specific language relating to the transportation features of multipurpose water resource projects, since the previous amendment exempted water resource projects from the Secretary's authority.

The third amendment, requiring congressional instead of Presidential approval of the standards and criteria developed or revised pursuant to this subsection, prior to their promulgation by the Secretary, was intended to retain within the Congress its constitutional authority to regulate commerce among the several States. A blanket delegation of such widespread authority to the executive branch of the Government is considered unwise. The result of this amendment is to place upon the Secretary of Transportation the responsibility for developing the standards and criteria, but the final responsibility for their approval is retained in the Congress.

The fourth amendment would continue the authority of the Water Resources Council to establish standards and criteria for the evaluation of water resource projects where it was placed by the Congress last year when the Council was established by section 101 of Public Law 89-80. In addition, it would set forth a definition of primary navigation benefits which the committee deemed necessary in order to insure that future projects will be evaluated on the same basis as those which have resulted in the development of this Nation's outstanding system of inland navigation which has served so well in peace and war. After providing that the standards and criteria for economic evaluation of water resource projects shall be developed by the Water Resources Council, the amended language provides:

For the purpose of such standards and criteria, the primary direct navigation benefits of a water resource project are defined as the product of the savings to shippers using the waterway and the estimated traffic that would use the waterway; where the savings to shippers shall be construed to mean the difference between (a) the freight rates or charges prevailing at the time of the study for the movement by the alternative means and (b) those which would be charged on the proposed waterway; and where the estimate of traffic that would use the waterway will be based on such freight rates, taking into account projections of the economic growth of the area.

The fifth amendment which merely expands the membership of the Water Resources Council to include the Secretary of Transportation in matters pertaining to navigation features of water resource projects, is entirely consistent with the intent of section 101 of Public Law 89-80, which established the Council.

In connection with the definition of primary direct benefits, contained in the fourth amendment and set forth above, the committee desires to make it abundantly clear that in estimating navigation benefits, the Corps of Engineers is to use the rates prevailing in the area under consideration in the survey report and is not to introduce a freight rate applied in some other area, even though it may have limited application in the transportation of commodities from other regions to an area that could be served by the proposed development.

INTERSTATE COMMERCE COMMISSION

Car service

S. 3010, as introduced, provided for the transfer from the Interstate Commerce Commission to the Secretary of Transportation of all car service functions, except those relating to per diem and demurrage charges. Strong sentiments were expressed at the hearings that these

functions are regulatory in nature, and should remain with the ICC. The committee agreed with this position and amended subsections 6(e) and 8(d) by deleting the language relating to the proposed transfer, leaving all of these functions with the ICC where they are under existing law.

Safety information

During the hearings on S. 3010, a question was raised concerning the effect of the transfer of the safety functions of the ICC to the Department of Transportation on the ICC's responsibility to determine the safety fitness of applicants for operating rights. It was noted that since the ICC would no longer have a safety investigating staff of its own, it would have to depend upon information developed by personnel of the Department and furnished by the Secretary. In order to insure that such information would be forthcoming promptly, a provision has been added as *subsection 4(e)* which requires the Secretary to investigate the safety compliance record of each carrier or person seeking authority from the ICC and to report their finding to the Commission. In addition, the Secretary would be required to (1) intervene and present evidence of the applicant's fitness in ICC application proceedings for permanent authority or for approval of proposed transactions when the applicant's safety record fails to satisfy the Secretary; (2) furnish promptly upon request of the ICC a statement regarding the safety record of any carrier or person seeking temporary operating authority from the ICC; and (3) furnish upon request of the ICC a complete report of the safety compliance surveys which thereafter the ICC deems necessary or desirable in order to process an application or to determine the fitness of a carrier, including intervention and presentation of evidence upon request of the Commission.

ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION AND THE ALASKA RAILROAD

S. 3010, as introduced, made no provision for the transfer of either the St. Lawrence Seaway Development Corporation or the Alaska Railroad to the Department of Transportation. However, in his testimony before this committee, the Director of the Bureau of the Budget stated that the Corporation, now in the Department of Commerce, and the Railroad, now in the Department of the Interior, will be transferred to the Department of Transportation, by Executive order, to function under the direction and supervision of the Secretary of Transportation. He explained that the statutes establishing these agencies allow the President to designate their location and to transfer them as he deems necessary. He stated further that he saw no objection to their legislative transfer, although it was not necessary to do so.

Subsequently, 12 Senators requested the committee to consider amending S. 3010 to provide for the transfer of the St. Lawrence Seaway Development Corporation to the Department of Transportation, since it was their belief that the Corporation should be transferred by statute. In support of their request they noted that a reaffirmation of the original intent of the Congress in creating the Corporation is essential at the time when the Department is created and organized, and that the matter should not be resolved by an Executive order following the establishment of the new Department.

Finally, they stated that past experience indicates that the transfer of the Corporation by Executive order will not provide an adequate remedy for the organizational "downgrading" of an agency which must play an important role in national as well as international transportation policy. Based upon these considerations, the committee added a new subsection 8(g), providing for the establishment of the Corporation, subjecting it to the direction and supervision of the Secretary of Transportation, and providing that the Administrator of the Corporation shall report directly to the Secretary.

With respect to the Alaska Railroad, the committee was advised that it forms the central transportation link for the distribution of commodities and supplies throughout the most heavily populated areas of Alaska; that efficient management of the Railroad is of the greatest possible importance to intrastate transportation in Alaska; and that to achieve this, the Railroad should be transferred to the Department of Transportation which will be staffed by transportation specialists.

The committee agreed that the Railroad should be under the direction, administration, and supervision of the Secretary and Department of Transportation, and that its location within the Department is likely to increase the efficiency of the Railroad, since it will now be in a mission-oriented department, staffed by transportation specialists. However, the contemplated transfer presented some technical difficulties. The Alaska Railroad was established pursuant to the act of March 12, 1914, which authorized the President to locate, construct, and operate railroads in the Territory of Alaska. The Railroad was subsequently established by the President, pursuant to Executive order. The current Executive Order No. 11107, April 25, 1963, placed general responsibility for the operation of the Railroad in the Secretary of the Interior, and the Interstate Commerce Commission was given certain responsibilities with respect to the rates. In order to maintain the existing balance, the committee added a new subsection 6(i) which transfers and vests in the Secretary of Transportation all of the functions vested in the Secretary of the Interior by Executive Order No. 11107.

APPALACHIAN REGIONAL DEVELOPMENT COMMISSION

Section 8(b) of the committee amendment provides 'that the recommendations of the Appalachian Regional Development Commission must first go to the Secretary of Commerce, and, upon his approval, to the Secretary of Transportation for final approval.

The committee strongly urges that the Secretaries jointly consult and cooperate on the handling of these projects in order to expedite action. To this end, the committee believes that expeditious action would be furthered if each Secretary would place a designated official in charge of matters relating to Appalachian projects.

FEDERAL EXECUTIVE SALARY ACT AMENDMENTS

In S. 3010, as introduced, the compensation for the principal officers of the Department of Transportation was as follows: The Secretary, level 1 (\$35,000); Under Secretary, level III (\$28,500); 4 Assistant Secretaries and the General Counsel, level IV (\$27,000); the Assistant Secretary for Administration, and the Chairman of the National

Transportation Safety Board, level V (\$26,000); and the other Board Members, GS-18 (\$25,890).

Since no provision was made in the bill, as introduced, for model administrators, no salary levels were indicated.

As enacted by the House of Representatives, the Secretary would remain at level I, the Under Secretary at level III, 4 Assistant Secretaries and the General Counsel, at level IV, and the Assistant Secretary for Administration, at level V. However, the Chairman of the National Transportation Safety Board would be at level IV and the Members of the Board at level V. No action was taken with respect to the modal administrators, but in its report, the House Committee on Government Operations stated that it was the committee's understanding that the Federal Aviation Administrator would be placed at level III and the other modal administrators at level IV.

Following due consideration, the committee concluded that the principal officials of the new Department should be placed at salary levels commensurate with their responsibilities, and that appropriate statutory recognition be given to the model administrators, regarding salary levels, in view of the major responsibilities and functions which they will have, and the importance of attracting fully competent personnel.

Accordingly, the committee adopted an amendment which would raise the salaries of the principal officers below the Secretary (except the General Counsel who would remain at level IV) one level above that established in the House act. Thus, the Under Secretary and the Federal Aviation Administrator would be raised to level II (\$30,000); the four Assistant Secretaries, the Chairman of the National Transportation Safety Board and the other modal administrators would be raised to level III (\$28,500) and the Assistant Secretary for Administration and the members of the National Transportation Safety Board would be raised to level IV (\$27,000). The position of Deputy Federal Aviation Administrator, not provided for in the House version, would also be placed at level IV.

It may be noted that the current levels of the officers holding positions which would be transferred to the Department of Transportation are Federal Aviation Administrator, level II; Federal Highway Administrator, level IV and Federal Maritime Administrator, level V. There is presently no Federal railroad administrator.

URBAN MASS TRANSIT

In his transportation message, the President stated that although the Department of Housing and Urban Affairs bears the principal responsibility for a unified Federal approach to urban problems, it cannot perform this task without the counsel, support and cooperation of the Department of Transportation. Accordingly, he stated further that he would ask the Secretary of Housing and Urban Development and the Secretary of Transportation to recommend to him, within 1 year after the creation of the new Department, the means and procedures by which this cooperation can best be achieved—not only in principal, but in practical effect.

At the hearings, several members of the committee, as well as public witnesses, expressed concern with respect to the failure of

S. 3010 to provide for the inclusion of the urban mass transportation program in the Department. Representatives of the administration opposed any transfer of these activities to the Department of Transportation, pending an analysis of the study referred to.

The committee added a new subsection 4(g), which requires the Secretary of Transportation and the Secretary of Housing and Urban Development to (1) consult and exchange information regarding their respective policies and activities with respect to transportation; (2) carry on joint planning, research and other activities; (3) jointly study how Federal policies and programs can assure that urban transportation systems most effectively serve both national transportation needs and the comprehensively planned development of urban areas; and (4) requiring the two Secretaries, within 1 year after enactment of the act, and annually thereafter, to report to the President, for submission to the Congress, on their studies and other activities under this subsection, including any legislative recommendations which they determine to be desirable.

RESEARCH AND DEVELOPMENT

S. 3010, as introduced, requires the Secretary, in carrying out the purposes of this act, to promote and undertake research and development in and among all modes and types of transportation services, among his other responsibilities. However, it contained no specific language or authority authorizing him to do so. Accordingly, the committee added a new subsection 9(r) which gives the Secretary clear-cut, direct authority to make use of the expertise, know-how, and facilities of qualified nongovernmental organizations and individuals for the conduct of scientific and technological research in connection with authorized programs of the Department.

TECHNICAL PERFECTING AND CONFORMING AMENDMENTS

Highway and traffic safety

In order to insure the carryover to the Department of Transportation of the provisions of the recently enacted National Traffic and Motor Vehicle Act of 1966 and the Highway Safety Act of 1966, the committee adopted amendments to section 3, 6, and 8.

New subsection 3(f) and subsection 6(a)(7) provide for the transfer to the Secretary of Transportation of all of the functions, power and duties vested in the Secretary and other offices and officers of the Department of Commerce, under the National Traffic and Motor Vehicle Act of 1966 and the Highway Safety Act of 1966. Under both of these acts the functions provided for therein were to be carried out through a National Traffic Safety Agency and a National Highway Safety Agency, each of which was to be headed by a Presidentially appointed, Senate-confirmed Administrator.

In order to avoid confusion with the Federal Highway Administrator, established in section 3(e)(1) of the committee amendments, the titles of the National Traffic Safety Agency and the National Safety Agency have been changed to National Traffic Safety Bureau and National Highway Bureau and each will be headed by a Director instead of an Administrator.

The committee amended the bill to authorize the President to carry out the provisions of both the National Traffic and Motor

Vehicle Safety Act and the Highway Safety Act through a single Bureau and Director, which is consistent with section 201 of the Highway Safety Act of 1966. All provisions of these acts, including those relating to the National Motor Vehicle Safety Council and the National Highway Safety Advisory Committee would be transferred intact to the new Department.

A further amendment was added to transfer the present office of Federal Highway Administrator to the Department of Transportation under the title of Director of Public Roads.

Additional technical implementing amendments have been made in subsections 6(a)(1)(B), 8(h), and 8(i). The amendment in subsection 6(a)(1)(B) transfers to the Department of Transportation the recently enacted Federal-Aid Highway Act of 1966.

Advisory committees

S. 3010, as introduced, in subsection 4(i) authorized the Secretary to appoint advisory committees for the purpose of consultation with and advice to the Department in the performance of its functions. In an attempt to avoid any conflict-of-interest problems on the part of those serving on such committees, the committee amended this subsection, now 9(p), to provide that payments made to members of such committees shall not render them employees or officials of the United States for any purpose.

Working capital fund

S. 3010, as introduced, in subsection 9(k), would have authorized the Secretary to establish a working capital fund, for operating various common administrative services in the Department. A committee amendment provides for an annual audit of such fund by the Comptroller General at the end of each fiscal year; and requires that there shall be covered into the Treasury as miscellaneous receipts any surplus found therein.

SECTION-BY-SECTION ANALYSIS OF S. 3010

SECTION 1. SHORT TITLE

This section provides that the act may be cited as the "Department of Transportation Act."

SECTION 2. DECLARATION OF PURPOSE

The first paragraph of this section declares the need for *development* of national transportation policies and programs. Such policies are to be evolved to provide a coordinated transportation system, permitting travelers and goods to move conveniently and efficiently from one means of transportation to another, consistent with national transportation policy standards, conservation, and efficient utilization of our national resources.

The second paragraph of this section finds a need for the establishment of a Department of Transportation in order to assure coordination of Federal transportation programs; to facilitate the development and improvement of coordinated transportation service, to be provided by private enterprise to the maximum extent feasible; to encourage cooperation in achieving national transportation objectives by Federal, State, and local governments, carriers, labor and other

interested parties; to stimulate technological advances in transportation; to provide general leadership in the identification and solution of transportation problems; and to develop and recommend to the President and the Congress changes in national transportation policies and programs to accomplish these objectives.

The third paragraph of this section declares as a national policy that in implementing the provisions of this act, special effort should be made to preserve the natural beauty of the countryside and public park and recreation lands, wildlife and waterfowl refuges, and historic sites.

SECTION 3. ESTABLISHMENT OF DEPARTMENT

Paragraph (a) of this section establishes a new executive department to be known as the Department of Transportation; headed by a Secretary of Transportation to be appointed by the President, with Senate confirmation.

Paragraph (b) and (c) provide that the President shall appoint, by and with the advice and consent of the Senate, an Under Secretary of Transportation, four Assistant Secretaries, and a General Counsel. These officers of the Department shall have such duties as the Secretary may prescribe. In the event of the absence, disability, or vacancy in the office of the Under Secretary, an Assistant Secretary or the General Counsel, determined according to the order prescribed by the Secretary, shall act for, and exercise his powers.

Paragraph (d) provides that the Secretary shall appoint under the classified civil service, with the approval of the President, an Assistant Secretary for Administration, who shall perform such duties as the Secretary may prescribe.

Subsection (e)(1) directs the Secretary to establish within the Department four modal administrations—highway, railroad, maritime, and aviation—each of which is to be headed by an Administrator (and in the case of aviation, there shall also be a Deputy Aviation Administrator). The four Administrators and the Deputy Aviation Administrator are to be appointed by the President, by and with the advice and consent of the Senate. Subsection (e)(2) provides that the qualifications of the Federal Aviation Administrator and Deputy Administrator shall be those specified in section 302(b) of the Federal Aviation Act of 1958, except that the present Administrator of the Federal Aviation Agency is not precluded from appointment as Administrator of the Federal Aviation Administration.

Subsection (e)(3) provides that Administrators and the Commandant of the Coast Guard shall report directly to the Secretary, and they shall carry out the functions, powers, and duties specified in this act, together with such additional duties as may be prescribed by the Secretary.

Subsection (e)(4) provides that the functions, powers, and duties specified in this act to be carried out by each Administrator and by the Maritime Board shall not be transferred elsewhere in the Department, except pursuant to reorganization plan submitted to the Congress, or by statute.

Subsection (f)(1) directs the Secretary to carry out the provisions of the National Traffic and Motor Vehicle Safety Act of 1966 through a National Traffic Safety Bureau, which the Secretary shall establish within the Department. The Bureau shall be headed by a Director appointed by the President, by and with the advice and consent of

the Senate, who shall be compensated at level V (\$26,000) of the Federal executive salary schedule. All other provisions of the National Traffic and Motor Vehicle Safety Act of 1966 are made applicable.

Subsection (f)(2) directs the Secretary to carry out the provisions of the Highway Safety Act of 1966 through the National Highway Safety Bureau. The Bureau shall be headed by a Director appointed by the President, by and with the advice and consent of the Senate. All other provisions of the Highway Safety Act of 1966 are made applicable.

Subsection (f)(3) authorizes the President to carry out the provisions of the National Traffic and Motor Vehicle Safety Act of 1966 through the Bureau and Director authorized by section 201 of the Highway Safety Act of 1966.

Subsection (f)(4) provides that the office of Federal Highway Administrator, created by 23 U.S.C. 303, is transferred to and continued within the Department under the title "Director of Public Roads." The Director shall be the operating head of the Bureau of Public Roads (or any successor agency carrying out its primary functions within the Department), and shall be compensated at level V (\$26,000) of the Federal executive salary schedule.

SECTION 4. GENERAL PROVISIONS

This section enumerates specific duties of the Secretary in carrying out the purposes of this act. Subsection (a) directs the Secretary to exercise leadership under the direction of the President in transportation matters, including those affecting the national or regional emergencies; provide general leadership in the development of national transportation policies and programs, and make recommendations to the President and the Congress for their implementation; promote and undertake development, collection, and dissemination of technological, statistical, economic and other transportation information; promote and undertake research and development in and among all modes and promote and undertake the research and development with respect to types of transportation services and facilities; noise abatement, with particular attention to aircraft noise; and, consult with the heads of other departments and agencies engaged in the transportation of Government goods and personnel or operating their own transport services, to encourage these departments and agencies to establish and observe transportation policies consistent with the objectives of this act.

Subsection (b)(1) contains a congressional mandate to the Secretary in the carrying out of his duties and responsibilities under this act and requires that he be governed by the declarations of policy contained in the Federal Aviation Act, the Interstate Commerce Act, the Merchant Marine Acts, the Highway Acts, and the Coast Guard statutes.

Subsection (b)(2) states congressional intent that nothing in this act shall be construed to authorize the adoption, revision, or implementation of any national transportation policy, or investment standards or criteria contrary to or inconsistent with any act of Congress.

Subsection (c) preserves the same rights to judicial review of orders and actions of the Secretary, the National Transportation Safety Board, Maritime Board, and the Administrators, and in the same

manner, as if such orders and actions had been taken by the department or agency exercising such functions, powers, and duties immediately preceding their transfer.

Subsection (d) gives the Secretary, the National Transportation Safety Board, Maritime Board, and the Administrators the same authority in the exercise of their functions, powers, and duties under this act, and their actions the same force and effect, as when exercised by the department or agency from which these functions, powers, and duties were transferred.

Subsection (e) provides that it shall be the duty of the Secretary to investigate the safety compliance record of applicants for Interstate Commerce Commission ("Commission") authority and to report the findings thereon to the Commission. In addition, the Secretary shall (1) intervene and present evidence as to applicant's fitness in Commission application proceedings for permanent authority or for approval of proposed transactions when applicant's safety record fails to satisfy the Secretary; (2) furnish promptly upon Commission request a statement of the safety record of an applicant seeking Commission temporary operating authority; and (3) furnish upon Commission request a complete report of the safety compliance of any carrier and also make such additional inspections or safety compliance surveys which the Commission deems necessary or desirable in order to process an application or to determine the fitness of a carrier, including intervention and presentation of evidence upon request of the Commission.

Subsection (4)(f) directs the Secretary to cooperate and consult with the Secretaries of the Interior, Housing and Urban Development and Agriculture, and with the States, and to include all transportation plans and programs measures to maintain or enhance the natural beauty of the lands traversed by transportation agencies. The Secretary shall not approve any program or project after the effective date of this act requiring the use of such lands or sites unless (1) there is no feasible alternative to the use of such land and (2) such program includes all possible planning to minimize harm to such areas resulting from such use.

Subsection (g) directs the Secretary and the Secretary of Housing and Urban Development to consult and exchange information on their respective transportation policies and activities; to carry on joint planning, research, and other activities; and, to coordinate assistance for local transportation projects. They are to undertake joint studies to determine how Federal policies and programs can best assure that urban transportation systems serve both national transportation and urban development needs. Within 1 year after the act, and annually thereafter, they shall report their studies and activities to the President, for submission to the Congress, along with any legislative recommendations they deem desirable.

SECTION 5. NATIONAL TRANSPORTATION SAFETY BOARD

Section 5(a) establishes within the Department a National Transportation Safety Board.

Subsection (b) transfers to the Board, and makes it the duty of the Board to exercise the functions, powers, and duties transferred to the Secretary by sections 6 and 8 of this act with regard to (1) determining the cause or probable cause of transportation accidents and reporting the facts, conditions, and circumstances relating to such accidents, and

(2) reviewing on appeal the suspension, amendment, modification, revocation or denial of any certificate or license issued by the Secretary or by an Administrator.

Subsection (c) provides that the Board shall exercise the functions, powers, and duties relating to aircraft accident investigations transferred to the Secretary from the Civil Aeronautics Board.

Under subsection (d) the Board is further authorized to: (1) make recommendations to the Secretary or Administrators on the basis of the exercise of its functions, powers, and duties which, in its opinion, will tend to prevent transportation accidents and promote transportation safety; (2) conduct special transportation safety and accident prevention studies; (3) insure that in cases in which it is required to determine the cause or probable cause of accidents, that accident investigation reports adequately state the circumstances of the accident involved; (4) initiate or conduct on its own motion rail, highway, or pipeline accident investigations as the Board deems necessary or appropriate; (5) make recommendations to the Secretary or Administrators concerning rules, regulations, and procedures for the conduct of accident investigations; (6) request the Secretary or Administrators to initiate specific accident investigations or conduct further investigations as the Board determines to be necessary or appropriate; (7) arrange for its members or Board personnel to participate in accident investigations conducted by the Secretary or Administrators; (8) request from the Secretary or Administrators notification of transportation accidents and reports of such accidents as the Board deems necessary.

Subsection (e) requires the Board, except as otherwise provided by statute, to make public all reports, orders, decisions, rules and regulations issued under sections 5(b) (1), (2), and (3); every recommendation made to the Secretary or an Administrator; every special study conducted; and, every action of the Board requesting the Secretary or Administrator to take action under this section.

Subsection (f) provides that the Board shall be independent of the Secretary and other offices and officers of the Department in the exercise of its functions, powers, and duties;

Subsection (g) requires the Board to report annually to the Congress on the conduct of its functions and the effectiveness of accident investigations in the Department, together with such legislative recommendations as it deems appropriate.

Subsection (h) provides that the Board shall consist of five Presidentially appointed members with Senate confirmation. The membership of the Board shall be bipartisan. The President shall appoint the members with due regard to their fitness, and may not be removed by the President except for cause.

Subsection (i) establishes a 5-year term of office for the members of the Board, and makes provision for staggered terms of office and continuance in service until a successor is appointed and qualified.

Subsection (j) provides for Presidential designation of members of the Board as Chairman and Vice Chairman. The Chairman shall be the chief executive and administrative officer of the Board, and shall have authority to (1) appoint and supervise Board personnel; (2) distribute business among Board personnel; and (3) control the use and expenditure of funds. The Chairman, in exercising this authority shall be governed by the general policies of the Board and

by its decision, findings, and determinations. Three of its members shall constitute a Board quorum.

Subsection (k) empowers the Board to establish such rules, regulations, and procedures as are necessary to the exercise of its functions.

Subsection (l) provides that the Board, or authorized member or hearing examiner thereof, in carrying out Board functions, shall have the same powers, as vested in the Secretary to hold hearings, sign and issue subpoenas, administer oaths, examine witnesses, and receive evidence anywhere in the United States.

Subsection (m) authorizes the Board to delegate to any of its officers or officials, or to those of the Department, with the approval of the Secretary, such of its functions as it deems appropriate. A proviso limits such delegation to forbid the Secretary and his representatives, including Federal Aviation Administration officers and representatives, from participating in the determination of probable cause of aviation accidents. A further proviso forbids the delegation of appellate functions transferred from the Civil Aeronautics Board to the Board under section 6(d) of this act.

Subsection (n) authorizes the Board, subject to the civil service and classification laws, to employ necessary officers and employees, including investigators, attorneys, and hearing examiners.

Subsection (o) authorizes the Board, on a reimbursable basis when appropriate, to use the available services, equipment, personnel, and facilities of the Department, and of other civilian or military agencies and instrumentalities, and to cooperate in such use. The Board is also authorized to confer with the avail itself of the cooperation, services, records, and facilities of State, and other local bodies.

SECTION 6. TRANSFERS TO DEPARTMENT

This section provides for the transfer of transportation functions from various departments and agencies to the Secretary. In addition, this section provides for the further transfer of certain specified functions within the Department to the Federal Aviation and Federal Maritime Administrators and to the National Transportation Safety Board, and sets forth the duties to be exercised by the modal Administrators.

Subsection (a) transfers from the Secretary of Commerce to the Secretary of Transportation various provisions of law relating generally to (1) highways; (2) ground transportation; (3) aircraft; (4) pilotage; (5) the merchant marine; (6) the Act of August 1, 1947, as amended to the extent it authorizes scientific and professional positions which relate primarily to functions transferred by this subsection; and (7) the National Traffic Motor Vehicle Safety Act of 1966, and the Highway Safety Act of 1966.

Subsection (a)(5)(A) transfers to the Federal Maritime Administrator and makes it his duty to exercise those functions, powers, and duties of the Secretary relating to the merchant marine laws transferred from the Department of Commerce, except such functions, powers, and duties as the Maritime Board shall exercise in accordance with the provisions of subsection (a)(5)(B).

Subsection (a)(5)(C) establishes within the Department a Maritime Board, which shall exercise the functions, powers, and duties in the merchant marine laws pertaining to operating-differential and construction subsidy, and other allied matters.

Subsection (a)(5)(D) provides that the Maritime Board shall be composed of three members: the Federal Maritime Administrator, shall be Chairman of the Board, and two additional members appointed by the President, by and with the advice and consent of the Senate. The Board shall be bipartisan. The two additional Board members shall be appointed for staggered terms of 4 years, and compensated at the rate of level IV (\$27,000) of the Federal executive salary schedule. The members continue to serve until their successor is qualified, and no member shall engage in any other business, vocation or employment. Any two members of the Board shall constitute a quorum, and the concurring votes of any two members shall be sufficient for the disposition of any matter before the Board. The Federal Maritime Administrator, the members, and officers and employees of the Board are forbidden to have any pecuniary relationship with persons, et cetera with whom the Board may have business relationships. The members of the Board shall be appointed with due regard to their fitness, and the two additional board members may be removed by the President only for cause. The Board is authorized to establish necessary rules, regulations, and procedures, and to delegate to any of its officers or officials or those of the Federal Maritime Administration such of its functions as it deems appropriate. It is further provided that nothing in this act shall be deemed to affect the Federal Maritime Commission, or any of the functions of that Commission.

Subsection (a)(5)(E) provides that decisions of the Maritime Board, made pursuant to the exercise of its enumerated functions, shall be administratively final, and appeals as authorized by law or this act shall be taken directly to the courts.

Subsection (b)(1) transfers the Coast Guard to the Department, and transfers to and vests in the Secretary all functions, powers, and duties relating to the Coast Guard of the Secretary of the Treasury and of other officers and offices of the Department of the Treasury. Subsection (b)(2) provides that notwithstanding this transfer, the Coast Guard, together with the functions, powers, and duties relating thereto, shall operate as part of the Navy, subject to the orders of the Secretary of the Navy, in time of war or when the President so directs in accordance with law. Subsection (b)(3) provides that, notwithstanding any other provisions of this act, the functions, powers, and duties of the General Counsel of the Department of the Treasury, with respect to review and final action concerning courts-martial under the Uniform Code of Military Justice, are transferred to and vested in the General Counsel of the Department.

Subsection (c) transfers from the Federal Aviation Agency and vests in the Secretary all functions, powers, and duties of that Agency, including the development and construction of a civil supersonic aircraft. The functions, powers and duties of the Secretary set forth in certain specified sections and titles of the Federal Aviation Act of 1958, which concern aviation safety, are further transferred, within the Department, to the Federal Aviation Administrator, and it shall be the Administrator's duty to exercise these functions, powers, and duties guided by the declaration of policy in section 103 of the Federal Aviation Act of 1958. The Federal Aviation Administrator's decisions as to these matters are administratively final, and authorized appeals shall be taken directly to the National Transportation Safety Board or to the courts, as appropriate.

Subsection (d) transfers from the Civil Aeronautics Board and vests in the Secretary all functions, powers, and duties relating to the determination of cause or probable cause of aviation accidents; aircraft accident investigation; and, the determination on appeal of certificate and licensing actions. These functions, powers, and duties of the Secretary are further transferred, within the Department, to the National Transportation Safety Board, and it shall be the duty of the Board to exercise these functions transferred from the CAB. The decisions of the Safety Board as to these matters are administratively final, and authorized appeals are to be taken directly to the courts.

Subsection (e) transfers from the Interstate Commerce Commission and vests in the Secretary all functions, powers, and duties relating generally to (1) safety appliances and equipment on railroad engines and cars, and protection of employees and travelers; (2) hours of service of employees; (3) medals for heroism; (4) explosives and other dangerous articles; (5) standard time zones and daylight saving time; and (6) the following provisions of the Interstate Commerce Act: (A) Section 25, relating generally to safety appliances methods and systems; (b) section 226, relating generally to investigation of motor vehicle sizes and weights, and service of employees; (C) sections 204(a) (1) and (2), to the extent that they relate to qualifications and maximum hours of service of employees and safety of operation and equipment, and sections 204(a) (3), (3a), and (5); and (D) sections 221 (a) and (c), and 224, to the extent they relate to private carriers of property by motor vehicle and carriers of migrant workers by motor vehicle other than contract carriers.

Subsection (f)(1) states congressional intent that nothing in subsection (e) of this section shall diminish the functions, powers and duties of the Interstate Commerce Commission under certain specified sections of the Interstate Commerce Act, or under any other section of that act not specifically referred to in subsection (e).

Subsection (f)(2) provides that with respect to any function, power, and duty which is transferred to the Secretary by subsection (e), and which was vested in the Interstate Commerce Commission preceding such transfer, the Secretary shall have the same administrative powers under the Interstate Commerce Act as the Commission had before such transfer with respect thereto. The Commission may exercise its administrative powers under the Interstate Commerce Act only with respect to those functions, powers, and duties not transferred by subsection (e). The term administrative powers under the Interstate Commerce Act is defined to mean any functions under certain specified provisions of the Interstate Commerce Act.

Subsection (f) also provides that the Federal Railroad Administrator shall have the duty of exercising the functions, powers, and duties of the Secretary as to railroad safety (safety devices, appliances, and equipment on railroad engines and cars, accident reporting and protection of employees and travelers, including hours of service of employees) and pipeline safety. The Federal Highway Administrator shall have the duty of exercising the functions, powers, and duties of the Secretary as to motor carrier safety (qualifications and maximum hours of service of employees, and safety of operation and equipment). Their decisions are to be administratively final as to such matters, and appeals as authorized by law are to be taken directly to the courts.

Subsection (g) transfers to and vests in the Secretary all functions, powers, and duties of the Secretary of the Army and other officers and offices of the Department of the Army as to certain laws and provisions of law relating generally to (1) water vessel anchorages; (2) drawbridge operating regulations; (3) obstructive bridges; (4) the reasonableness of tolls; (5) the prevention of pollution of the sea by oil; and (6) the location and clearance of bridges and causeways in the navigable waters of the United States.

Subsection (h) states the intent of Congress that, notwithstanding any other provision of this act, the transfer of functions, powers, and duties to the Secretary or any other officer in the Department shall not include functions vested by the Administrative Procedure Act in hearing examiners employed by any department, agency, or components thereof whose functions are transferred under the provisions of this act.

Subsection (i) transfers to and vests in the Secretary of Transportation the administration of the Alaska Railroad, and all of the functions authorized to be carried out by the Secretary of the Interior pursuant to Executive Order 11107, and provides that the Secretary of Transportation shall exercise the same authority with respect thereto as is now exercised by the Secretary of the Interior pursuant to Executive order.

SECTION 7. TRANSPORTATION INVESTMENT STANDARDS

Subsection (a) directs the Secretary to develop and, in the light of experience, to revise standards and criteria consistent with the national transportation policies, for the formulation and economic evaluation of all proposals except such proposals as are concerned with (1) the investment of Federal funds in transportation facilities or equipment by Federal agencies in providing transportation services for their own use; (2) an interoceanic canal located outside the contiguous United States; (3) defense features included at the direction of the Department of Defense in the design and construction of civil air, sea, and land transportation; (4) programs of foreign assistance; or (5) water resource projects. These standards or criteria as developed or revised shall be promulgated by the Secretary upon their approval by the Congress.

Subsection (a) also provides that the standards and criteria for economic evaluation of water resource projects shall be developed by the Water Resources Council. The Water Resources Council is expanded to include the Secretary of Transportation on matters pertaining to navigation features of water resources projects. For the purpose of such standards and criteria, this subsection defines "the primary direct navigation benefits of a water resource project as the product of the savings to shippers using the waterway and the estimated traffic that would use the waterway." The term "savings to shippers" is construed to mean the difference between (a) the freight rates or charges prevailing at the time of the study for the movement by the alternative means and (b) those which would be charged on the proposed waterway. The estimate of traffic that would use the waterway is to be based on such freight rates, taking into account projections of the economic growth of the area.

Subsection (b) directs that every survey, plan, or report formulated by a Federal agency which includes a proposal as to which the Secre-

tary has promulgated standards and criteria pursuant to subsection (a) shall be prepared in accord with such standards and criteria and upon the basis of information furnished by the Secretary with respect to (1) projected growth of transportation needs and traffic in the affected area; (2) the relative efficiency of various modes of transport; (3) the available transportation services in the area; and (4) the general effect of the proposed investment on existing modes, and on the regional and national economy. Every such survey, plan, or report shall also be coordinated by the proposing agency with the Secretary and appropriate Federal agencies, States, and local units of government for inclusion of their comments; and, thereafter, transmitted by the proposing agency to the President for disposition in accord with law and procedures established by him.

SECTION 8. AMENDMENTS TO OTHER LAWS

Subsection (a) amends section 406(b) of the Federal Aviation Act by adding a provision requiring the Civil Aeronautics Board in fixing subsidies to take into consideration any standards and criteria prescribed by the Secretary of Transportation, for determining the character and quality of transportation required for the commerce of the United States and the national defense.

Subsection (b) amends section 201 of the Appalachian Regional Development Act of 1965. The amendment transfers the Secretary of Commerce's functions under this section to the Secretary of Transportation, except that (1) the Appalachian Regional Commission's recommendations first to go to the Secretary of Commerce and, upon his approval, to the Secretary of Transportation for final approval; (2) the two Secretaries jointly determine whether more than 50 percent of the cost of construction will be paid by the United States; and (3) appropriations would be made to the Secretary of Commerce, who would transfer the necessary highway funds to the Secretary for administration of approved projects.

Subsection (c) amends section 206 of the Appalachian Regional Development Act of 1965 to require the Secretary of the Army in formulating the water resource plan called for under that section to consult with the Secretary of Transportation.

Subsection (d) makes a conforming amendment to section 212(a) of the Interstate Commerce Act to authorize the Interstate Commerce Commission to suspend, change, or revoke, in whole or in part, motor carrier certificates, permits, and licenses for failure to obey any lawful order, rule, or regulation of the Secretary made pursuant to functions transferred to him from the Interstate Commerce Commission by this act.

Subsection (e) is a conforming amendment to the Fair Labor Standards Act of 1938 to reflect the transfer from the Interstate Commerce Commission to the Secretary of the power to establish qualifications and maximum hours of service pursuant to the provisions of section 204 of the Interstate Commerce Act.

Subsection (f) is a conforming amendment to the Federal Explosives Act to reflect the transfer to the Secretary of Transportation of the authority to make regulations with respect to the transportation of explosives.

Subsection (g) places within the Department, subject to the direction and supervision of the Secretary, the St. Lawrence Seaway

Development Corporation, and provides that the Administrator of the Seaway Development Corporation shall report directly to the Secretary.

Subsection (h) is a conforming amendment to the Highway Safety Act of 1966 to reflect that the provisions of that act shall be carried out by the Secretary through a National Highway Safety Bureau headed by a Director.

Subsection (i) is a conforming amendment to the National Traffic and Motor Vehicle Safety Act of 1966 to reflect that the provisions of that act shall be carried out by the Secretary through a National Highway Safety Bureau headed by a Director.

Subsection (j) is a conforming amendment to the Marine Resources and Engineering Development Act of 1966. The Secretary of Transportation, because of the transfer of the Coast Guard to the Department, is made a member of the National Council on Marine Resources and Engineering Development in place of the Secretary of the Treasury.

Subsection (k) is a conforming amendment substituting the Secretary of Transportation for the Secretary of Commerce in the act granting the consent of the Congress to a compact between the States of Missouri and Kansas establishing the Kansas City Area Transportation District and the Kansas City Transportation Authority.

SECTION 9. ADMINISTRATIVE PROVISIONS

Subsection (a) authorizes the Secretary, subject to the civil service and classification laws, to employ personnel, including necessary investigators, attorneys, and hearing examiners.

Subsection (b) would amend title V of the United States Code to increase the maximum number of positions authorized for grade 16, 17, and 18 positions with the Federal Government from 2,577 to 2,622.

Subsection (c) authorizes the Secretary to hire experts and consultants at rates not to exceed \$100 per day.

Subsection (d) authorizes the Secretary to provide for participation of military personnel in carrying out the functions of the Department. Members of the Armed Forces could be assigned to the Department pursuant to cooperative agreements between the Secretary of Transportation and the military departments.

Subsection (e) provides that members of the Armed Forces so detailed would not be charged against statutory limitations on grades or strengths applicable to the Armed Forces, and appointment would in no way affect the status of the military personnel so assigned. Persons so assigned would not be subject to the direction or control of the Armed Forces with respect to the responsibilities exercised by such persons in the Department of Transportation. The Secretary would be required to report annually to the Congress on personnel appointed under subsection (d) of this section.

Subsection (f)(1) authorizes the Secretary to delegate any of his functions, powers, and duties, and permits successive redelegation with his approval. The Secretary is also authorized to issue appropriate rules and regulations to carry out his functions, powers, and duties. Subsection (f)(2) authorizes any officer of the Department in the exercise of functions transferred to or specified to be carried out by such an officer of the Department to delegate, and successive redelegations are also authorized. Such officers in the exercise of

such functions transferred to them or to be carried out by them under this act may make such rules and regulations as may be necessary to carry out their statutorily assigned duties. Subsection (f)(3) provides that the modal Administrators may not delegate any of the statutory duties and responsibilities specifically assigned to them by this act outside of their respective administrations.

Subsection (g) transfers to the Secretary the personnel, assets, unexpended balances of appropriations, etc., of the Federal Aviation Agency, and provides that the personnel, funds, etc., employed in carrying out the duties transferred to the Federal Aviation Administrator by this act shall be assigned by the Secretary to the Administrator for these purposes.

Subsection (h) transfers to the Secretary the positions, assets, unexpended balances of appropriations, etc., in connection with the functions, powers, and duties transferred under section 6 (except for the Federal Aviation Agency, which is covered in subsection (g) above), 8(d) and (e) of this act, as the Director of the Bureau of the Budget determines is related to such functions transferred. Personnel engaged in transferred functions will be transferred in accordance with applicable laws and regulations. This subsection further provides that the personnel, personnel funds, etc., employed by the CAB in carrying out the duties transferred by this act to the National Transportation Safety Board, shall be transferred to the Safety Board.

It is further provided that the personnel, positions, funds, etc., employed in carrying out the functions, powers, and duties to be exercised by the Federal Maritime Administrator or the Maritime Board shall be assigned to them by the Secretary for these purposes.

Subsection (i) provides that personnel transferred pursuant to the provisions of subsections (g) and (h) of this section shall not suffer reduction in classification or compensation for 1 year after such transfer.

Subsection (j) provides that any agency all of the functions of which are transferred by this act shall lapse, except for the Coast Guard, which will continue in the Department. This subsection also provides that employees compensated under the Federal executive salary schedule, who without a break in service, are appointed in the Department to a comparable position shall continue to be compensated at not less than the rate provided for in their previous position, for the duration of their service in the new position.

Subsection (k) authorizes the establishment of a working capital fund for the Department. The Comptroller General is directed to make an annual audit of the working capital fund at the end of each fiscal year, and to report to the Congress annually the results of the audit, together with such recommendations as he may have regarding the status and operations of the fund.

Subsection (l) directs the Secretary to adopt a departmental seal, and provides for judicial notice of such seal.

Subsection (m) authorizes the Secretary to provide certain facilities, services, and supplies to employees and their dependents stationed at remote localities.

Subsection (n) authorizes the Secretary to accept gifts and bequests of real and personal property, and for the purpose of Federal income, estate and gift taxes such property accepted shall be considered as a gift or bequest for the use of the United States.

Subsection (o) authorizes the Secretary, upon the payment of the actual cost of the work, to make special statistical studies and to prepare from its records special statistical compilations and other records for private persons and State and local governments. Payments received for work under this subsection would be deposited in a special account from which payment could be made for the ordinary expenses incidental to the work and to secure the services of persons who are not officers or employees of the United States.

Subsection (p) authorizes the Secretary to appoint advisory committees, and provides for compensation of members of such committees in accordance with the provisions of section 5703 of title V of the United States Code. Such payments to members of advisory committees shall not make them employees or officials of the United States for any purpose.

Subsection (q)(1) permits the appointment, detail, or assignment to positions in the Department (without regard to the civil service and classification acts) of members of the Coast Guard on active duty, except for the positions of Secretary, Under Secretary, and Assistant Secretary for Administration. Subsection (q)(2) makes clear that subsection (q)(1) is not intended to exclude retired members of the Coast Guard from employment in any position in the Department (subject to the provisions of title V of the United States Code).

Subsection 9(r) gives the Secretary direct authority to make use of the expertise, know-how, and facilities of qualified nongovernmental organizations and individuals for the conduct of scientific and technological research in connection with authorized programs of the Department.

SECTION 10. CONFORMING AMENDMENTS TO OTHER LAWS

Subsections (a) and (b) places the Secretary of Transportation in the line of succession to the office of the President of the United States:

Subsection (c) is a technical provision which would extend to the Department the provisions of title IV of the Revised Statutes, except to the extent inconsistent with the bill. These provisions deal with such matters as departmental vacancies, regulations, duties of clerks, details, and employment of personnel, oaths, subpoenas, and witness fees.

Subsection (d) amends subchapter II of chapter 3 of title V of the United States Code (relating to executive schedule pay rates) to conform to the establishment of the Department of Transportation by this act; to delete the positions of Under Secretary of Commerce for Transportation and Administrator of the Federal Aviation Agency; and to insert the new positions established by this act. Under this subsection, the officers of the new Department would be placed at the following levels of the Federal executive salary schedule: the Secretary of Transportation, level I (\$35,000); the Under Secretary and the Federal Aviation Administrator, level II (\$30,000); the four Assistant Secretaries, the Chairman of the National Transportation Safety Board and the other Federal highway, railroad and Maritime Administrators, level III (\$28,500); the General Counsel, the Assistant Secretary for Administration, the members of the National Transportation Safety Board, the Director of Public Roads, and the Deputy Federal Aviation Administrator, level IV (\$27,000). This subsection also

authorizes the President to place a total of nine additional positions in levels IV and V, and one additional position in level III.

Subsection (e) removes from the Federal Executive Salary Schedule reference to the Federal Highway Administrator; the Maritime Administrator; and the following officers of the Federal Aviation Agency: the Administrator, Deputy Administrator, Associate Administrator for Administration, Associate Administrator for Development, Associate Administrator for Programs, and General Counsel.

Subsection (f) amends an act which makes the vessel operation revolving fund available to pay activation and deactivation cost of ships chartered out by the Secretary of Commerce, so as to make the act applicable to ships chartered out by the Secretary of Transportation.

Subsection (g) amends the act which prescribes a criminal penalty for false representations relating to highway projects submitted to the Secretary of Commerce so as to make it applicable to such projects submitted to the Secretary of Transportation.

Subsection (h) is a conforming amendment to the Uniform Code of Military Justice to implement the provisions of section 6(b)(3) of this act.

SECTION 11. ANNUAL REPORT

This section directs the Secretary to make an annual report.

SECTION 12. SAVINGS PROVISIONS

This section contains savings provisions, designed in general to insure that transfers of functions to the Department do not affect either rights and privileges existing before the transfer, or administrative or judicial proceedings pending at the time of transfer, except to the extent necessary to permit the Department to act in the place of the officer or agency from which the functions were transferred.

Subsection (a) provides that orders, regulations, certificates, etc., to which transferred functions relate and which are in effect at the time of transfer, will remain in effect until modified by the appropriate officer or agency of the Department, by the courts, or by operation of law.

Subsection (b) provides that this act will not affect administrative proceedings pending on the act's effective date, except that certain proceedings involving transferred functions will be continued before the new Department.

Subsection (c) provides that no cause of action will abate by reason of this act's enactment, and that judicial proceedings pending when this act takes effect will not be affected by this act, with the exception of certain proceedings involving transferred functions, which will be continued by the Secretary.

Subsection (d) provides that with respect to a transferred function exercised after the effective date of this act, any reference in any Federal law to the agency or officer from which the function was transferred will be deemed to mean the officer or agency in which this act vests such function after its transfer.

SECTION 13. SEPARABILITY

This section provides that if any provision of this act or the application thereof to any person or circumstances is held invalid, the remainder of this act, and the application of such provision to other persons or circumstances shall not be affected thereby.

SECTION 14. CODIFICATION

This section directs the Secretary to submit to the Congress within 2 years from the effective date of this act a proposed codification of all laws that contain functions transferred to or vested in the Secretary or the Department by this act.

SECTION 15. EFFECTIVE DATE; INITIAL APPOINTMENT OF OFFICERS

Subsection (a) of this section provides that this act shall take effect 90 days after the Secretary first takes office, or on such prior date after the enactment of this act as the President shall prescribe and publish in the Federal Register. Subsection (b) provides that the principal officers of the Department may be appointed at any time after the date of enactment of this act, and that they will be compensated from the date they first take office. Their compensation and the related expenses of their offices will be paid from funds available for the functions to be transferred to the Department.

CHANGES IN EXISTING LAW

In compliance with subsection 4 of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

SECTION 406(b) OF THE FEDERAL AVIATION ACT OF 1958
(72 Stat. 763)

RATE MAKING ELEMENTS

(b) In fixing and determining fair and reasonable rates of compensation under this section, the Board, considering the conditions peculiar to transportation by aircraft and to the particular air carriers or class of air carriers, may fix different rates for different air carriers or classes of air carriers, and different classes of service. In determining the rate in each case, the Board shall take into consideration, among other factors, (1) the condition that such air carriers may hold and operate under certificates authorizing the carriage of mail only by providing necessary and adequate facilities and service for the transportation of mail; (2) such standards respecting the character and quality of service to be rendered by air carriers as may be prescribed by or pursuant to law; and (3) the need of each such air carrier (other than a supplemental air carrier) for compensation for the transportation of mail sufficient to insure the performance of such service, and, together with all other revenue of the air carrier, to enable such air carrier under honest, economical, and efficient man-

agement, to maintain and continue the development of air transportation to the extent and of the character and quality required for the commerce of the United States, the Postal Service, and the national defense. *In applying clause (3) of this subsection, the Board shall take into consideration any standards and criteria prescribed by the Secretary of Transportation, for determining the character and quality of transportation required for the commerce of the United States and the national defense.*

SECTIONS 201 AND 206(c) OF THE APPALACHIAN REGIONAL DEVELOPMENT ACT OF 1965

(79 Stat. 10 and 15)

TITLE II—SPECIAL APPALACHIAN PROGRAMS

PART A—NEW PROGRAMS

APPALACHIAN DEVELOPMENT HIGHWAY SYSTEM

SEC. 201. (a) The Secretary of **Commerce** (hereafter in this section referred to as the "Secretary") *Transportation* is authorized to assist in the construction of an Appalachian development highway system serving the Appalachian region (the length of which shall not exceed two thousand three hundred and fifty miles. In addition thereto, there are authorized to be constructed not in excess of one thousand miles of local access roads, that will serve specific recreational, residential, commercial, industrial, or other like facilities or will facilitate a school consolidation program). The system, in conjunction with the Interstate System and other Federal-aid highways in the region will provide a highway system which will open up an area or areas with a developmental potential where commerce and communication have been inhibited by lack of adequate access. The provisions of title 23, United States Code, that are applicable to Federal-aid primary highways, and which the Secretary of *Transportation* determines are not inconsistent with this Act, shall apply to the Appalachian development highway system, and the local access roads.

(b) As soon as feasible, the Commission shall submit to the Secretary of *Commerce* its recommendations with respect to (1) the general corridor location and termini of the development highways, (2) the designation of local access roads to be constructed, (3) priorities for construction of the local access roads and of the major segments of the development highways, and (4) other criteria for the program authorized by this section. Before any State member participates in or votes on such recommendations, he shall have obtained the recommendations of the State highway department of the State which he represents.

(c) **The Secretary** shall have authority to approve in whole or in part such recommendations or to require modifications or revisions thereof. *Such recommendations as are approved by the Secretary of Commerce shall be transmitted to the Secretary of Transportation for his approval.* In no event shall the Secretary of *Transportation* approve any recommendations for any construction which would require for its completion the expenditure of Federal funds (other than funds

available under title 23, United States Code) in excess of the appropriation authorizations in subsection (g). On its completion each development highway not already on the Federal-aid primary system shall be added to such system and shall be required to be maintained by the State.

(d) In the construction of highways and roads authorized under this section, the States may give special preference to the use of mineral resource materials indigenous to the Appalachian region.

(e) For the purposes of research and development in the use of coal and coal products in highway construction and maintenance, the Secretary of Transportation is authorized to require each participating State, to the maximum extent possible, to use coal derivatives in the construction of not to exceed 10 per centum of the roads authorized under this Act.

(f) Federal assistance to any construction project under this section shall not exceed 50 per centum of the costs of such project, unless the Secretary of Commerce and the Secretary of Transportation [determines] *determine*, pursuant to the recommendation of the Commission, that assistance in excess of such percentage is required in furtherance of the purposes of this Act, but in no event shall such Federal assistance exceed 70 per centum of such costs.

(g) To carry out this section, there is hereby authorized to be appropriated \$840,000,000 to the Secretary of Commerce, who shall transfer funds to the Secretary of Transportation for administration of projects approved by both Secretaries.

* * * * *

WATER RESOURCE SURVEY

SEC. 206. (a) * * *

* * * * *

(c) To insure that the plan prepared by the Secretary of the Army shall constitute a harmonious component of the regional program, he shall consult with the Commission and the following: the Secretary of Agriculture, the Secretary of Commerce, the Secretary of Health, Education, and Welfare, the Secretary of the Interior, *Secretary of Transportation*, the Tennessee Valley Authority, and the Federal Power Commission.

SECTION 212(a) OF THE INTERSTATE COMMERCE ACT

SUSPENSION, CHANGE, REVOCATION, AND TRANSFER OF CERTIFICATES, PERMITS, AND LICENSES

SEC. 212. (a) Certificates, permits, and licenses shall be effective from the date specified therein, and shall remain in effect until suspended or terminated as herein provided. Any such certificate, permit, or license may, upon application of the holder thereof, in the discretion of the Commission, be amended or revoked, in whole or in part, or may upon complaint, or on the Commission's own initiative, after notice and hearing, be suspended, changed, or revoked, in whole or in part, for willful failure to comply with any provision of this part, or with any lawful order, rule, or regulation [of the Commission] promulgated thereunder, or with any term, condition, or

limitation of such certificate, permit, or license: *Provided, however,* That no such certificate, permit, or license shall be revoked (except upon application of the holder) unless the holder thereof willfully fails to comply, within a reasonable time, not less than thirty days, to be fixed by the Commission, with a lawful order [of the Commission], made as provided in section 204(c), commanding obedience to the provision of this part, or to the rule or regulation [of the Commission] thereunder, or to the term, condition, or limitation of such certificate, permit, or license, found by the Commission to have been violated by such holder: *And provided further,* That the right to engage in transportation in interstate or foreign commerce by virtue of any certificate, permit, license, or any application filed pursuant to the provisions of sections 206, 209, or 211, or by virtue of the second proviso of section 206(a) or temporary authority under section 210a, may be suspended by the Commission, upon reasonable notice of not less than fifteen days to the carrier or broker, but without hearing or other proceedings, for failure to comply, and until compliance, with the provisions of sections 211(c), 217(a), or 218(a) or with any lawful order, rule, or regulation of the Commission promulgated thereunder.

* * * * *

SECTION 13(b)(1) OF THE FAIR LABOR STANDARDS ACT OF 1938

(52 Stat. 1067)

- (b) The provisions of section 7 shall not apply with respect to—
 (1) any employee with respect to whom the [Interstate Commerce Commission] *Secretary of Transportation* has power to establish qualifications and maximum hours of service pursuant to the provisions of section 204 of the Motor Carrier Act, 1935; or

* * * * *

SECTION 3 OF THE FEDERAL EXPLOSIVES ACT

(40 Stat. 385)

SEC. 3. The purchase or possession of ingredients when purchased or held in small quantities and not used or intended to be used in the manufacture of explosives shall not be subject to the provisions of this Act. [This Act shall not apply to explosives or ingredients which are in transit upon vessels, railroad cars, or conveyances in conformity with the statutory provisions or rules and regulations of the Interstate Commerce Commission, or regulations of the Secretary of Commerce.] *This Act shall not apply to explosives or ingredients which are in transit upon vessels, railroad cars, aircraft, or other conveyances in conformity with statutory law or with the rules and regulations of the Secretary of Transportation.* This Act shall not be construed to prevent the manufacture under the authority of the United States of explosives for, or their sale to or possession by, the military or naval service of the United States or the Federal Bureau of Investigation. This Act shall

not apply to arsenals, navy yards, depots or other establishments owned by, or operated by or on behalf of, the United States. The Director may, however, cooperate with the heads of departments having jurisdiction over such establishments. Nothing in this Act shall be construed to modify or otherwise affect in any way the authority of the Federal Bureau of Investigation with respect to the investigation of explosions, accidents, or fires.

SECTION 1 OF THE ACT OF MAY 13, 1954

(68 Stat. 92)

【Section 1. There is hereby created, subject to the direction and supervision of the President, or the head of such agency as he may designate, a body corporate to be known as the Saint Lawrence Seaway Development Corporation (hereinafter referred to as the "Corporation").】

SECTION 1. There is hereby created, subject to the direction and supervision of the Secretary of the Department of Transportation, a body corporate to be known as the Saint Lawrence Seaway Development Corporation (hereinafter referred to as the "Corporation").

SECTION 201 OF THE HIGHWAY SAFETY ACT OF 1966

(80 Stat. 731)

SEC. 201. The Secretary shall carry out the provisions of the Highway Safety Act of 1966 (including chapter 4 of title 23 of the United States Code) through a National Highway Safety 【Agency】 Bureau (hereinafter referred to as the 【"Agency"】 Bureau), which he shall establish in the Department of Commerce. The 【Agency】 Bureau shall be headed by 【an Administrator】 *a Director* who shall be appointed by the President, by and with the advice and consent of the Senate, who shall be compensated at the rate prescribed for level V of the Federal Executive Salary Schedule established by the Federal Executive Salary Act of 1964. The 【Administrator】 *Director* shall be a citizen of the United States, and shall be appointed with due regard for his fitness to discharge efficiently the powers and the duties delegated to him. The 【Administrator】 *Director* shall have no pecuniary interest in or own any stock in or bonds of any enterprise involved in (1) manufacturing motor vehicles or motor vehicles equipment, or (2) constructing highways, nor shall he engage in any other business, vocation, or employment. The 【Administrator】 *Director* shall perform such duties as are delegated to him by the Secretary. On highway matters the 【Administrator】 *Director* shall consult with the 【Federal Highway Administrator】 *Director of Public Roads*. The President is authorized to carry out the provisions of the National Traffic and Motor Vehicle Safety Act of 1966 through the 【Agency】 Bureau and 【Administrator】 *Director* authorized by this section.

SECTION 115 OF THE NATIONAL TRAFFIC AND MOTOR VEHICLE SAFETY ACT OF 1966 (80 STAT. 718)

SEC. 115. The Secretary shall carry out the provisions of this Act through a National Traffic Safety **[Agency]** *Bureau* (hereinafter referred to as the **[“Agency”]** *Bureau*, which he shall establish in the Department of Commerce. The *Bureau* shall be headed by a Traffic Safety **[Administrator]** *Director* who shall be appointed by the President, by and with the advice and consent of the Senate, and shall be compensated at the rate prescribed for level V of the Federal Executive Salary Schedule established by the Federal Executive Salary Act of 1964. The **[Administrator]** *Director* shall be a citizen of the United States, and shall be appointed with due regard for his fitness to discharge efficiently the powers and the duties delegated to him pursuant to this Act. The **[Administrator]** *Director* shall perform such duties as are delegated to him by the Secretary.

SECTION 3(a) OF THE MARINE RESOURCES AND ENGINEERING DEVELOPMENT ACT OF 1966

(80 Stat. 204)

SEC. 3. (a) There is hereby established, in the Executive Office of the President, the National Council on Marine Resources and Engineering Development (hereinafter called the “Council”) which shall be composed of—

- (1) The Vice President, who shall be Chairman of the Council.
- (2) The Secretary of State.
- (3) The Secretary of the Navy.
- (4) The Secretary of the Interior.
- (5) The Secretary of Commerce.
- (6) The Chairman of the Atomic Energy Commission.
- (7) The Director of the National Science Foundation.
- (8) The Secretary of Health, Education, and Welfare.
- (9) The Secretary of **[the Treasury]** *Transportation*.

SECTION 2(e) OF THE ACT OF SEPTEMBER 22, 1966, PUBLIC LAW 89-599

SEC. 2.

* * * * *

(e) The consent of Congress to this compact is granted subject to the further condition that the Kansas City Area Transportation District and the Kansas City Area Transportation Authority shall not acquire, construct, maintain, operate, or lease to others for maintenance and operation any interstate toll bridge or interstate toll tunnel without prior approval of the Secretary **[of Commerce]** of *Transportation*.

SECTION 5108(a) OF TITLE 5, UNITED STATES CODE

§ 5108. Classification of positions at GS-16, 17, and 18

(a) A majority of the Civil Service Commissioners may establish, and from time to time revise, the maximum numbers of positions (not to exceed an aggregate of [2,577] 2,622, in addition to any professional engineering positions primarily concerned with research and development and professional positions in the physical and natural sciences and medicine which may be placed in these grades, and in addition to 240 hearing examiner positions under section 3105 of this title which may be placed in GS-16 and 9 such positions which may be placed in GS-17) which may be placed in GS-16, 17, and 18 at any one time. However, under this authority, not to exceed 25 percent of the aggregate number may be placed in GS-17 and not to exceed 12 percent of the aggregate number may be placed in GS-18. A position may be placed in GS-16, 17, or 18 only by action of, or after prior approval by, a majority of the Civil Service Commissioners.

* * * * *

SECTION 19(d)(1) OF TITLE 3, UNITED STATES CODE

(d)(1) If, by reason of death, resignation, removal from office, inability, or failure to qualify, there is no President pro tempore to act as President under subsection (b) of this section, then the officer of the United States who is highest on the following list, and who is not under disability to discharge the powers and duties of the office of President shall act as President: Secretary of State, Secretary of the Treasury, Secretary of Defense, Attorney General, Postmaster General, Secretary of the Interior, Secretary of Agriculture, Secretary of Commerce, Secretary of Labor, Secretary of Health, Education, and Welfare, Secretary of Housing and Urban Development[.], *Secretary of Transportation*.

SECTION 101 OF TITLE 5, UNITED STATES CODE

§ 101. Executive departments

The Executive departments are:

* * * * *

The Department of Housing and Urban Development. The Department of Transportation.

SUBCHAPTER II OF CHAPTER 53 OF TITLE V, UNITED STATES CODE

§ 5312. Positions at level I

Level I of the Executive Schedule applies to the following positions, for which the annual rate of basic pay is \$35,000:

* * * * *

- (11) *Secretary of Housing and Urban Development.*
- (12) *Secretary of Transportation.*

§ 5313. Positions at level II

Level II of the Executive Schedule applies to the following positions, for which the annual rate of basic pay is \$30,000:

* * * * *

[(7) Administrator of the Federal Aviation Agency.]

(7) *Under Secretary of Transportation.*

* * * * *

(19) *Administrator, Federal Aviation Administration.*

§ 5314. Positions at level III

Level III of the Executive Schedule applies to the following positions, for which the annual rate of basic pay is \$28,500:

* * * * *

[(6) Under Secretary of Commerce for Transportation.]

(46) *Assistant Secretaries of Transportation (4).*

(47) *Administrator, Federal Highway Administration.*

(48) *Administrator, Federal Railroad Administration.*

(49) *Administrator, Federal Maritime Administration.*

(50) *Chairman, National Transportation Safety Board.*

§ 5315. Positions at level IV

Level IV of the Executive Schedule applies to the following positions, for which the annual rate of basic pay is \$27,000:

* * * * *

[(2) Deputy Administrator of the Federal Aviation Agency.]

* * * * *

(78) *Members, National Transportation Safety Board.*

(79) *General Counsel, Department of Transportation.*

(80) *Deputy Administrator, Federal Aviation Administration.*

(81) *Assistant Secretary for Administration, Department of Transportation.*

(82) *Director of Public Roads.*

§ 5316. Positions at level V

Level V of the Executive Schedule applies to the following positions, for which the annual rate of basic pay is \$26,000:

* * * * *

[(12) Associate Administrator for Administration, Federal Aviation Agency.]

[(13) Associate Administrator for Development, Federal Aviation Agency.]

[(14) Associate Administrator for Programs, Federal Aviation Agency.]

* * * * *

[(76) Federal Highway Administrator, Department of Commerce.]

* * * * *

[(82) General Counsel of the Federal Aviation Agency.]

* * * * *

[(89) Maritime Administrator, Department of Commerce.]

* * * * *

(117) *Director, National Traffic Safety Bureau.*

(118) *Director, National Highway Safety Bureau.*

§ 5317. Presidential authority to place positions at levels IV and V

In addition to the positions listed in sections 5315 and 5316 of this title, the President, from time to time, may place in levels IV and V of the Executive Schedule positions held by not to exceed [30] 39 individuals when he considers that action necessary to reflect changes in organization, management responsibilities, or workload in an Executive agency. Such an action with respect to a position to which appointment is made by the President by and with the advice and consent of the Senate is effective only at the time of a new appointment to the position. Notice of each action taken under this section shall be published in the Federal Register, except when the President determines that the publication would be contrary to the interest of national security. The President may not take action under this section with respect to a position the pay for which is fixed at a specific rate by this subchapter or by statute enacted after August 14, 1964.

§ 5318. Presidential authority to place a position at level III

The President is further authorized to place one position in level III.

ACT OF AUGUST 1, 1956

(70 Stat. 897)

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the vessel operations revolving fund created by the Third Supplemental Appropriations Act, 1951, approved June 2, 1951 (Public Law 45, Eighty-second Congress; 65 Stat. 52, at 59), shall, beginning July 1, 1956, be available for expenses incurred in connection with the activation, repair, and deactivation of merchant ships chartered under the jurisdiction of the [Secretary of Commerce] Secretary of Transportation. There shall be credited to such fund all receipts on account of operations after July 1, 1956, under charters of Government-owned ships under the jurisdiction of the [Secretary of Commerce] Secretary of Transportation.

SECTION 1020 OF TITLE 18, UNITED STATES CODE

§ 1020. Highway projects.

Whoever, being an officer, agent, or employee of the United States, or of any State or Territory, or whoever, whether a person, association, firm, or corporation, knowingly makes any false statement, false representation, or false report as to the character, quality, quantity, or cost of the material used or to be used, or the quantity or quality of the work performed or to be performed, or the costs thereof in connection with the submission of plans, maps, specifications, contracts, or costs of construction of any highway or related project submitted for approval to the [Secretary of Commerce] Secretary of Transportation; or

Whoever knowingly makes any false statement, false representation, false report, or false claim with respect to the character, quality, quantity, or cost of any work performed or to be performed, or materials furnished or to be furnished, in connection with the construction of any highway or related project approved by the [Secretary of Commerce] *Secretary of Transportation*; or

Whoever knowingly makes any false statement or false representation as to a material fact in any statement, certificate, or report submitted pursuant to the provisions of the Federal-Aid Road Act approved July 11, 1916 (39 Stat. 355), as amended and supplemented,

Shall be fined not more than \$10,000 or imprisoned not more than five years, or both.

SECTION 801(1) OF TITLE 10, UNITED STATES CODE

§ 801. Article 1. Definitions.

In this chapter:

(1) "Judge Advocate General" means, severally, the Judge Advocates General of the Army, Navy, and Air Force and, except when the Coast Guard is operating as a service in the Navy, [the General Counsel of the Department of the Treasury] *the General Counsel of the Department of Transportation*.

ADDITIONAL VIEWS OF SENATOR JAVITS

I have for some years advocated the creation of a Department of Transportation and accordingly am pleased to lend my support to legislation for this purpose. I would be remiss, however, if I did not call attention to one item which I believe the committee has erroneously failed to provide for in the new Department; to wit, an Office of Noise Abatement. There are few problems that the American public has been made more forcefully aware of than the problem of noise. The sound of the airplane as it makes its way in and out of our modern airports, the constant hum of the automobile, bus, and truck in our urban environment, the thunder of the train in the night as it rushes through rural communities are factors which affect all our lives. And yet the Federal Government has reacted to periodic public outcries with the ineffective palliative of token funds to miscellaneous agencies for research and development. This half-hearted, diffusive effort has failed to give this critical problem the attention it necessarily requires.

Last year an amendment which I introduced to deal with the noise problem was included in the 1965 Housing and Urban Development Act. The amendment called upon the then HHFA Administrator to undertake a study to determine feasible methods of reducing the economic loss and hardship suffered by homeowners as the result of the construction of airports in the vicinity of their homes, including a study of feasible methods of insulating such homes from the noise of aircraft. Findings from that study were to be made to the Congress at the *earliest* practicable date, but in *no* event later than 1 year after the date of the enactment of that law—August 10, 1965. August 10, 1966, has come and gone. I am finally informed—over a year later—that after long delays to determine who had the responsibility for noise studies, the study provided for in the 1965 Housing Act has only recently been *begun*.

I am convinced it is time the Congress specifically designated an office to conduct and coordinate all anti-noise activities. Accordingly, I offered an amendment in committee to establish an office in the new Department which would be directly responsible for conducting research and designating standards to reduce the noise when it is a nuisance. However, the committee did not accept my proposal. Instead it was agreed that the duties of the Secretary in section 4 should provide that, among other duties, he should conduct research on the problem. I sincerely regret this decision, for I feel that it does not provide for the concentrated and specific effort under the direction of a special consultant and coordinator needed to effectively eliminate the problem of noise.

But, I file these views to emphasize that the Secretary will have the broad authority to deal with the subject and hopefully will take the initiative in this area on his own.

JACOB K. JAVITS.

Calendar No. 1627

89TH CONGRESS
2D SESSION

S. 3010

[Report No. 1659]

IN THE SENATE OF THE UNITED STATES

MARCH 2, 1966

Mr. MAGNUSON introduced the following bill; which was read twice and referred to the Committee on Government Operations

SEPTEMBER 27, 1966

Reported, under authority of the order of the Senate of September 27, 1966, by Mr. McCLELLAN, with an amendment

[Strike out all after the enacting clause and insert the part printed in italic]

A BILL

To establish a Department of Transportation, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Department of Trans-
4 portation Act."

5 DECLARATION OF PURPOSE

6 SEC. 2. The Congress hereby declares that the general
7 welfare, the economic growth and stability of the Nation
8 and its security require the development and implementation
9 of national transportation policies and programs conducive
10 to the provision of fast, safe, efficient, and convenient trans-
11 portation at the lowest cost consistent therewith and with

1 other national objectives, including the efficient utilization
2 and conservation of the Nation's resources.

3 The Congress therefore finds that the establishment of
4 a Department of Transportation is necessary in the public
5 interest and to assure the coordinated, effective administra-
6 tion of the transportation programs of the Federal Gov-
7 ernment; to facilitate the development and improvement of
8 coordinated transportation service, to be provided by private
9 enterprise to the maximum extent feasible; to encourage co-
10 operation of Federal, State, and local governments, carriers,
11 labor, and other interested parties toward the achievement
12 of national transportation objectives; to stimulate technologi-
13 cal advances in transportation; to provide general leadership
14 in the identification and solution of transportation problems;
15 and to develop and recommend national transportation
16 policies and programs to accomplish these objectives with
17 full and appropriate consideration of the needs of the pub-
18 lic, users, carriers, industry, labor, and the national defense.

19 ESTABLISHMENT OF DEPARTMENT

20 SEC. 3. (a) There is hereby established at the seat of
21 government an executive department to be known as the
22 Department of Transportation (hereinafter referred to as the
23 "Department"). There shall be at the head of the Depart-
24 ment a Secretary of Transportation (hereinafter referred to

1 as the "Secretary"), who shall be appointed by the Presi-
2 dent, by and with the advice and consent of the Senate.

3 ~~(b)~~ There shall be in the Department an Under Secre-
4 tary, who shall be appointed by the President, by and with
5 the advice and consent of the Senate. The Under Secretary
6 ~~(or, during the absence or disability of the Under Secretary,~~
7 ~~or in the event of a vacancy in the office of Under Secretary,~~
8 ~~an Assistant Secretary determined according to such order~~
9 ~~as the Secretary shall prescribe)~~ shall act for, and exercise
10 the powers of the Secretary, during the absence or disability
11 of the Secretary or in the event of a vacancy in the office of
12 Secretary. The Under Secretary shall perform such func-
13 tions, powers, and duties as the Secretary shall prescribe
14 from time to time.

15 ~~(c)~~ There shall be in the Department four Assistant
16 Secretaries and a General Counsel, who shall be appointed
17 by the President, by and with the advice and consent of the
18 Senate, and who shall perform such functions, powers, and
19 duties as the Secretary shall prescribe from time to time.

20 ~~(d)~~ There shall be in the Department an Assistant Sec-
21 retary for Administration, who shall be appointed, with the
22 approval of the President, by the Secretary under the classi-
23 fied civil service who shall perform such functions, powers,
24 and duties as the Secretary shall prescribe from time to time.

1 GENERAL PROVISIONS

2 SEC. 4. (a) The Secretary in carrying out the pur-
3 poses of this Act shall, among his responsibilities, exercise
4 leadership under the direction of the President in transpor-
5 tation matters, including those affecting the national defense
6 and those involving national or regional emergencies; de-
7 velop national transportation policies and programs, and
8 make recommendations for their implementation; promote
9 and undertake development, collection, and dissemination of
10 technological, statistical, economic and other information
11 relevant to domestic and international transportation; and
12 promote and undertake research and development in and
13 among all modes of transportation and types of transportation
14 services and facilities.

15 (b) In exercising the functions, powers, and duties
16 herein conferred on and transferred to the Secretary, the
17 Secretary shall give full consideration to the need for opera-
18 tional continuity of the functions transferred, to the need for
19 effectiveness and safety in transportation systems, and to
20 the needs of the national defense.

21 (c) As necessary, and when not otherwise available,
22 the Secretary is authorized to provide for, construct, or main-
23 tain the following for employees and their dependents sta-
24 tioned at remote localities:

25 (1) Emergency medical services and supplies;

- 1 ~~(2)~~ Food and other subsistence supplies;
- 2 ~~(3)~~ Messing facilities;
- 3 ~~(4)~~ Motion picture equipment and film for recrea-
- 4 tion and training;
- 5 ~~(5)~~ Reimbursement for food, clothing, medicine,
- 6 and other supplies furnished by such employees in emer-
- 7 gencies for the temporary relief of distressed persons;
- 8 and
- 9 ~~(6)~~ Living and working quarters and facilities.

10 The furnishing of medical treatment under paragraph ~~(1)~~
11 and the furnishing of services and supplies under para-
12 graphs ~~(2)~~ and ~~(3)~~ of this subsection shall be at prices
13 reflecting reasonable value as determined by the Secretary;
14 and the proceeds therefrom shall be credited to the appro-
15 priation from which the expenditure was made.

16 ~~(d)~~ The Secretary is authorized to accept, hold, admin-
17 ister, and utilize gifts and bequests of property, both real and
18 personal, for the purpose of aiding or facilitating the work of
19 the Department of Transportation. Gifts and bequests of
20 money and the proceeds from sales of other property re-
21 ceived as gifts or bequests shall be deposited in the Treasury
22 in a separate fund and shall be disbursed upon order of the
23 Secretary of Transportation. Property accepted pursuant to
24 this provision, and the proceeds thereof, shall be used as

1 nearly as possible in accordance with the terms of the gift
2 or bequest.

3 ~~(c)~~ For the purpose of Federal income, estate, and gift
4 taxes, property accepted under section 4~~(d)~~ of this Act
5 shall be considered as a gift or bequest to or for use of the
6 United States.

7 ~~(f)~~ Upon the request of the Secretary, the Secretary of
8 the Treasury may invest and reinvest in securities of the
9 United States or in securities guaranteed as to principal and
10 interest by the United States any moneys contained in the
11 fund authorized herein. Income accruing from such secu-
12 rities, and from any other property pursuant to section 4~~(d)~~
13 of this Act, shall be deposited to the credit of the fund author-
14 ized herein, and shall be disbursed upon order of the Secre-
15 tary of Transportation.

16 ~~(g)~~ The Secretary is authorized, upon the written re-
17 quest of any person, firm, or corporation, to make special
18 statistical studies relating to foreign and domestic transporta-
19 tion, and other matters falling within the province of the De-
20 partment of Transportation, to prepare from its records
21 special statistical compilations, and to furnish transcripts of
22 its studies, tables, and other records upon the payment of
23 the actual cost of such work by the person, firm, or corpora-
24 tion requesting it.

1 ~~(h)~~ All moneys received by the Department of Trans-
2 portation in payment of the cost of work under section 4 ~~(g)~~
3 of this Act shall be deposited in a special account to be
4 administered under the direction of the Secretary of Trans-
5 portation. These moneys may be used, in the discretion
6 of the Secretary of Transportation, and notwithstanding
7 any other provisions of law, for the ordinary expenses inci-
8 dental to the work and/or to secure in connection there-
9 with the special services of persons who are neither officers
10 nor employees of the United States.

11 ~~(i)~~ The Secretary is authorized to appoint such ad-
12 visory committees as shall be appropriate for the purpose
13 of consultation with and advice to the Department in per-
14 formance of its functions. Members of such committees
15 shall be entitled to per diem and travel expenses as author-
16 ized by the Administrative Expenses Act of 1946 (60 Stat.
17 808), for all persons employed intermittently as consultants
18 or experts receiving compensation on a per diem basis.

19 ~~(j)~~ Orders and actions of the Secretary or the National
20 Transportation Safety Board in the exercise of functions,
21 powers, and duties transferred under this Act shall be sub-
22 ject to judicial review to the same extent and in the same
23 manner as if such orders and actions had been by the agency
24 originally exercising such functions, powers, and duties.

1 ~~(k)~~ In the exercise of the functions, powers, and duties
 2 transferred under this Act, the Secretary is authorized the
 3 same authority as vested in the agency originally exercising
 4 such functions, powers, and duties, and his actions in exer-
 5 cising such functions, powers, and duties shall have the same
 6 force and effect as when exercised by such agency.

7 ~~(l)~~~~(1)~~ Nothing in this Act or other law shall pre-
 8 clude appointment, detail, or assignment of a member on
 9 active duty of the Coast Guard to any position in the De-
 10 partment, other than Secretary, Under Secretary, and Assist-
 11 ant Secretary for Administration.

12 ~~(2)~~ Nothing in this Act or other law shall preclude
 13 appointment of a retired member of the Coast Guard to any
 14 position in the Department.

15 ~~(3)~~ The provisions of section 9(c)~~(1)~~ shall apply to
 16 persons appointed, detailed, or assigned under authority of
 17 this subsection.

18 NATIONAL TRANSPORTATION SAFETY BOARD

19 SEC. 5. ~~(a)~~ There is hereby established within the De-
 20 partment a National Transportation Safety Board. The
 21 Board shall exercise the functions, powers, and duties trans-
 22 ferred to the Secretary by sections 6 and 8 of this Act with
 23 regard to ~~(1)~~ determining the cause or probable cause of
 24 transportation accidents, and shall report the facts, condi-
 25 tions, and circumstances relating to such accidents; and ~~(2)~~

1 the review on appeal of the suspension, amendment, modifi-
2 cation, revocation, or denial of any certificate or license issued
3 by the Secretary. In exercising these functions, powers, and
4 duties, the Board shall be independent of the Secretary and
5 the operating units of the Department.

6 (b) The Board shall consist of five members to be ap-
7 pointed by the President, by and with the advice and consent
8 of the Senate, and who shall continue in office as designated
9 by the President at time of nomination through the last day
10 of the first, second, third, fourth, and fifth full calendar years,
11 respectively, following the year of enactment of this Act.
12 Their successors shall be appointed for terms of five years,
13 in the same manner as the members originally appointed
14 under this Act. Members of the Board shall be appointed
15 with due regard to their fitness for the efficient dispatch of
16 the functions, powers, and duties vested in and imposed
17 upon the Board. Members of the Board may be removed
18 by the President for inefficiency, neglect of duty, or mal-
19 feasance in office.

20 (c) Any person appointed to fill a vacancy occurring
21 prior to the expiration of a term for which his predecessor
22 was appointed shall serve only for the remainder of such
23 term. Upon the expiration of his term of office, except in
24 the case of a member removed for cause under section 5(b),

1 a member shall continue to serve until his successor is ap-
2 pointed and shall have qualified.

3 ~~(d)~~ The President shall designate from time to time
4 one of the members of the Board as Chairman and one of
5 the members as Vice Chairman, who shall act as Chairman
6 in the absence or incapacity of the Chairman, or in the event
7 of a vacancy in the office of the Chairman. The Chairman
8 shall be the chief executive and administrative officer of the
9 Board and shall exercise the responsibility of the Board with
10 respect to ~~(1)~~ the appointment and supervision of personnel
11 employed by the Board; ~~(2)~~ the distribution of business
12 among the Board's personnel; and ~~(3)~~ the use and expendi-
13 ture of funds. In executing and administering the functions
14 of the Board on its behalf, the Chairman shall be governed
15 by the general policies of the Board and by its decisions,
16 findings, and determinations. Three of the members shall
17 constitute a quorum of the Board.

18 ~~(e)~~ The Chairman of the Board shall be compensated
19 at the rate provided for at level V of the Federal Executive
20 Salary Act of 1964 (78 Stat. 416), as provided in section
21 ~~10(d)(4)~~ of this Act. Members of the Board shall be
22 compensated at the rate now or hereafter established for
23 grade 18 of the General Schedule of the Classification Act
24 of 1949 (63 Stat. 954).

25 ~~(f)~~ The Board is authorized to establish such rules, reg-

1 ulations, and procedures as are necessary to the exercise of
2 its functions.

3 ~~(g)~~ The Board, any member thereof, or any hearing
4 examiner assigned to the Board shall have the same powers
5 as are vested in the Secretary to hold hearings, sign and
6 issue subpoenas, administer oaths, examine witnesses, and
7 receive evidence at any place in the United States it may
8 designate.

9 ~~(h)~~ Subject to the proviso in section 701~~(g)~~ of the
10 Federal Aviation Act of 1958 (72 Stat. 731), the Board
11 may delegate to any officer or official of the Board or, with
12 the approval of the Secretary, to any officer or official of the
13 Department such of its functions as it may deem appropriate.

14 ~~(i)~~ The Board is further authorized to make such rec-
15 ommendations concerning transportation safety to the Sec-
16 retary as it may deem appropriate, including recommenda-
17 tions for the conduct of special safety studies on matters
18 pertaining to safety in transportation and the prevention of
19 accidents, the initiation of accident investigations, and rules,
20 regulations, and procedures for the conduct of accident
21 investigations.

22 ~~(j)~~ Subject to the civil service and classification laws,
23 the Board is authorized to select, appoint, employ, and fix
24 compensation of such officers and employees, including attor-

1 neys, as shall be necessary to carryout its powers and duties
2 under this Act.

3 ~~(k)~~ The Secretary shall provide to the Board financial
4 and administrative services, the cost of which shall be paid
5 in advance, or by reimbursement, from funds of the Board.

6 TRANSFERS TO DEPARTMENT

7 SEC. 6. ~~(a)~~ There are hereby transferred to and vested
8 in the Secretary all functions, powers, and duties of the
9 Secretary of Commerce and other officers and offices of the
10 Department of Commerce under title 23, United States
11 Code, relating to highways; the Federal Aid Highway Act
12 of 1962 (76 Stat. 1145), relating to engineering and plan-
13 ning surveys concerning highway construction programs in
14 Alaska; the Act of July 14, 1960 (74 Stat. 526), relating
15 to the National Driver Register Service; the Federal Aid
16 Highway Act of 1954 (68 Stat. 70), relating to the Great
17 River Road; the Highway Revenue Act of 1956 (70 Stat.
18 387), relating to the highway trust fund; the Highway
19 Beautification Act of 1965 (79 Stat. 1028); the Alaska
20 Omnibus Act (73 Stat. 141), relating to transfers of lands,
21 buildings, fixtures, and other property used in connection
22 with Bureau of Public Roads activities in Alaska; Senate
23 Joint Resolution 81 (79 Stat. 578), relating to reports of
24 highway needs to Congress; section 525(c) of the General
25 Bridge Act of 1946 (60 Stat. 847), relating to the location

1 of and plans for interstate bridges; the Act of July 26, 1956
2 (70 Stat. 669), relating to the Museatine Bridge Commis-
3 sion; the Act of December 21, 1944 (58 Stat. 846), relating
4 to the City of Clinton Bridge Commission; the Act of
5 April 12, 1941 (55 Stat. 140), relating to the White
6 County Bridge Commission; the Act of April 27, 1962
7 (76 Stat. 59), relating to the annual audit of bridge com-
8 missions; the Act of September 30, 1965, relating to high-
9 speed ground transportation (79 Stat. 893); the Urban
10 Mass Transportation Act of 1964 (78 Stat. 302); the Act
11 of September 7, 1957 (71 Stat. 629), and section 410 of
12 the Federal Aviation Act of 1958 (72 Stat. 769), relating
13 to guarantee of loans for the purchase of aircraft and air-
14 craft equipment; title XIII, War Risk Insurance, of the
15 Federal Aviation Act of 1958 (72 Stat. 800); the Great
16 Lakes Pilotage Act of 1960 (74 Stat. 259); the Merchant
17 Marine Act, 1920 (41 Stat. 988); the Merchant Marine
18 Act, 1928 (45 Stat. 689); the Merchant Marine Act, 1936
19 (49 Stat. 1985); the Shipping Act, 1916 (39 Stat. 728);
20 the Merchant Ship Sales Act of 1946 (60 Stat. 41); the
21 Maritime Academy Act of 1958 (72 Stat. 622); the Act
22 of June 12, 1940 (54 Stat. 346), relating to assistance to
23 maritime schools; the Act of August 30, 1964 (78 Stat.
24 614), relating to the fishing fleet; the Act of September 14,

1 1961 (75 Stat. 514); relating to appointments to the Mer-
2 chant Marine Academy; the Act of June 13 1957 (71
3 Stat. 73); to the extent it relates to operating differential
4 subsidies; the Act of June 12, 1951 (65 Stat. 59); relating
5 to vessel operations revolving fund; the Act of July 24,
6 1956 (70 Stat. 605); relating to the grant of medals and
7 decorations for service in the United States merchant ma-
8 rine; the Act of August 9, 1954 (68 Stat. 675); relating
9 to emergency foreign merchant vessel acquisition and oper-
10 ation; Reorganization Plan Numbered 21 of 1950 (64 Stat.
11 1273); Reorganization Plan Numbered 7 of 1961 (75 Stat.
12 840); Reorganization Plan Numbered 7 of 1949 (63 Stat.
13 1070); and the Act of August 1, 1947 (61 Stat. 715); to
14 the extent that it authorizes scientific and professional posi-
15 tions which relate primarily to functions transferred by this
16 subsection.

17 (b) (1) The Coast Guard is hereby transferred to the
18 Department, and there are hereby transferred to and vested
19 in the Secretary all functions, powers, and duties, relating
20 to the Coast Guard, of the Secretary of the Treasury and of
21 other officers and offices of the Department of the Treasury.

22 (2) Notwithstanding the transfer of the Coast Guard
23 to the Department and the transfer to the Secretary of the
24 functions, powers, and duties, relating to the Coast Guard,
25 of the Secretary of the Treasury and of other officers and

1 offices of the Department of the Treasury, effected by the
2 provisions of subparagraph (1) of this subsection, the Coast
3 Guard, together with the functions, powers, and duties relat-
4 ing thereto, shall operate as a part of the Navy, subject to
5 the orders of the Secretary of the Navy, in time of war or
6 when the President shall so direct, as provided in title 14,
7 United States Code, section 3.

8 ~~(3)~~ Notwithstanding any other provision of this Act,
9 the functions, powers, and duties of the General Counsel of
10 the Department of the Treasury set out in the Uniform Code
11 of Military Justice ~~(10 United States Code, section 801, et~~
12 ~~seq.)~~ are hereby transferred to and vested in the General
13 Counsel of the Department.

14 ~~(c)~~ There are hereby transferred to and vested in the
15 Secretary all functions, powers, and duties of the Federal
16 Aviation Agency, and of the Administrators and other officers
17 and offices thereof.

18 ~~(d)~~ There are hereby transferred to and vested in the
19 Secretary all functions, powers, and duties of the Civil Aero-
20 nautics Board, and of the Chairman, members, officers, and
21 offices thereof under titles VI ~~(72 Stat. 776)~~ and VII ~~(72~~
22 ~~Stat. 781)~~ of the Federal Aviation Act of 1958.

23 ~~(e)~~ There are hereby transferred to and vested in the
24 Secretary all functions, powers, and duties of the Interstate
25 Commerce Commission under the Act of March 2, 1893 ~~(27~~

1 Stat. 531); as amended by the Act of August 14, 1957 (71
2 Stat. 352); the Act of March 2, 1903 (32 Stat. 943); as
3 amended by the Act of April 11, 1958 (72 Stat. 86); and
4 the Act of April 14, 1910 (36 Stat. 298); as amended by
5 the Act of August 14, 1957 (71 Stat. 352); relating to
6 safety appliances; the Act of May 30, 1908 (35 Stat. 476);
7 relating to ash pans; the Act of February 17, 1911 (36 Stat.
8 913); the Act of March 4, 1915 (38 Stat. 1192); the Act
9 of June 26, 1918 (40 Stat. 616); the Act of June 7, 1924
10 (43 Stat. 659); the Act of June 27, 1930 (46 Stat. 822);
11 and the Act of April 22, 1940 (54 Stat. 148); the Act of
12 May 27, 1947 (61 Stat. 120); the Act of June 25, 1948
13 (62 Stat. 909); the Act of October 28, 1949 (63 Stat.
14 972); the Act of August 14, 1957 (71 Stat. 352); relating
15 to boiler inspection; Reorganization Plan Numbered 3 of
16 1965 (79 Stat. 1320); relating to locomotive inspection;
17 the resolution of June 30, 1906 (34 Stat. 838); relating to
18 block signals; the Act of May 27, 1908 (35 Stat. 325); the
19 Act of March 4, 1909 (35 Stat. 965); relating to investiga-
20 tion and testing of appliances and inspection of mail cars;
21 the Act of May 6, 1910 (36 Stat. 350); the Act of Septem-
22 ber 13, 1960 (74 Stat. 903); relating to accident reports;
23 the Act of March 4, 1907 (34 Stat. 1415); the Act of
24 May 4, 1916 (39 Stat. 61); the Act of June 25, 1948 (62
25 Stat. 909); the Act of August 14, 1957 (71 Stat. 352);

1 relating to hours of service of employees; the Act of Feb-
 2 ruary 23, 1905 (33 Stat. 743); the Act of June 13, 1957
 3 (71 Stat. 69); relating to awards; title 18, United States
 4 Code, sections 831-835, relating to explosives and other dan-
 5 gerous articles; the Act of March 19, 1918 (40 Stat. 450);
 6 the Act of March 4, 1921 (41 Stat. 1446); and the Act of
 7 March 3, 1923 (42 Stat. 1434); as amended by the Act of
 8 June 24, 1948 (62 Stat. 646); relating to the Standard
 9 Time Act; and the following sections of the Interstate Com-
 10 merce Act (24 Stat. 379); sections 1-(10), 1-(11), 1-(12),
 11 1-(13), 1-(14)-(a) (but not including establishment of the
 12 compensation to be paid for the use of any locomotive, car,
 13 or other vehicle not owned by the carrier using it) 1-(15),
 14 1-(16), 1-(17), 6-(8); the final sentence of 15-(4), 15-(10),
 15 and 420, relating to car service; section 25, relating to
 16 safety appliances, methods and systems; section 226, relat-
 17 ing to investigation of motor vehicle sizes and weights; sec-
 18 tion 1-(21) except to the extent that it relates to the exten-
 19 sion of line or lines of common carriers; section 204(a)-(1)-
 20 and -(2) to the extent that they relate to qualifications and
 21 maximum hours of service of employees and safety of opera-
 22 tion and equipment; and section 204(a) -(3), -(3a), and
 23 -(5); relating to safety.

24 Nothing in this subsection shall diminish the functions,

1 powers, and duties of the Interstate Commerce Commission
2 under sections 1(6), 206, 207, 209, 210a, 212, and 216 of
3 the Interstate Commerce Act or under any other section of
4 that Act not specifically referred to in the first paragraph of
5 this subsection.

6 (f) There are hereby transferred to and vested in the
7 Secretary all functions, powers, and duties of the Secretary
8 of the Army and other officers and offices of the Department
9 of the Army under section 7 of the River and Harbor Act
10 of March 4, 1915 (38 Stat. 1053), and the Act of April 22,
11 1940 (54 Stat. 150), relating to water vessel anchorages;
12 section 5 of the Act of August 18, 1894 (28 Stat. 362),
13 relating to drawbridge operating regulations; the Act of
14 June 21, 1940 (54 Stat. 497), relating to obstructive
15 bridges; section 4 of the Act of March 23, 1906 (34 Stat.
16 85), section 503 of the General Bridge Act (60 Stat. 847),
17 section 17 of the Act of June 10, 1930 (46 Stat. 552), and
18 Act of June 27, 1930 (46 Stat. 821), and the Act of August
19 21, 1935 (49 Stat. 670), relating to the reasonableness of
20 tolls; the Oil Pollution Act of 1961 (75 Stat. 402), relating
21 to the detection of oil pollution and enforcement of measures
22 against same; and section 9 of the Act of March 3, 1899 (30
23 Stat. 1151), the Act of March 23, 1906 (34 Stat. 84), and
24 the General Bridge Act (60 Stat. 847), insofar as they relate

1 to the location and clearances of bridges in the navigable
2 waters of the United States.

3 TRANSPORTATION INVESTMENT STANDARDS

4 SEC. 7. (a) The Secretary shall develop and from time
5 to time in the light of experience revise standards and criteria
6 consistent with national transportation policies, for the formu-
7 lation and economic evaluation of all proposals for the invest-
8 ment of Federal funds in transportation facilities or equip-
9 ment, except such proposals as are concerned with (1) the
10 acquisition of transportation facilities or equipment by Fed-
11 eral agencies in providing transportation services for their
12 own use; (2) an interoceanic canal located outside the con-
13 tiguous United States; (3) defense features included at the
14 direction of the Department of Defense in the design and con-
15 struction of civil air, sea, and land transportation; or (4)-
16 programs of foreign assistance. The standards and criteria
17 for economic evaluation of the transportation features of
18 multipurpose water resource projects shall be developed by
19 the Secretary after consultation with the Water Resources
20 Council, and shall be compatible with the standards and
21 criteria for economic evaluation applicable to nontransporta-
22 tion features of such projects. The standards and criteria
23 developed or revised pursuant to this subsection shall be

1 promulgated by the Secretary upon their approval by the
2 President.

3 ~~(b)~~ Every survey, plan, or report formulated by a Fed-
4 eral agency which includes a proposal as to which the
5 Secretary has promulgated standards and criteria pursuant to
6 subsection ~~(a)~~ shall be ~~(1)~~ prepared in accord with such
7 standards and criteria and upon the basis of information
8 furnished by the Secretary with respect to projected growth
9 of transportation needs and traffic in the affected area, the
10 relative efficiency of various modes of transport, the available
11 transportation services in the area, and the general effect of
12 the proposed investment on existing modes, and on the
13 regional and national economy; ~~(2)~~ coordinated by the pro-
14 posing agency with the Secretary and, as appropriate, with
15 other Federal agencies, States, and local units of government
16 for inclusion of his and their views and comments; and
17 ~~(3)~~ transmitted thereafter by the proposing agency to the
18 President for disposition in accord with law and procedures
19 established by him.

20 AMENDMENTS TO OTHER LAWS

21 SEC. 8. ~~(a)~~ Section 406~~(b)~~ of the Federal Aviation
22 Act of 1958, as amended (~~72 Stat. 763~~), is amended by
23 adding the following sentence at the end thereof: "In apply-
24 ing clause ~~(3)~~ of this subsection, the Board shall take into
25 consideration any standards and criteria prescribed by the

1 Secretary of Transportation, for determining the character
2 and quality of transportation required for the commerce of
3 the United States and the national defense.”

4 ~~(b)~~ Section 201 of the Appalachian Regional Develop-
5 ment Act ~~(79 Stat. 10)~~ is amended as follows:

6 ~~(1)~~ The first sentence of subsection ~~(a)~~ of that section
7 is amended by striking the words “Commerce (hereafter in
8 this section referred to as the ‘Secretary’)” and inserting in
9 lieu thereof “Transportation.”

10 ~~(2)~~ The last sentence of subsection ~~(a)~~ of that section
11 is amended by inserting after the word “Secretary”, the
12 words “of Transportation”.

13 ~~(3)~~ Subsection ~~(b)~~ of that section is amended by in-
14 serting after the word “Secretary”, the words “of Com-
15 merce”.

16 ~~(4)~~ Subsection ~~(c)~~ of that section is amended by strik-
17 ing the first sentence and inserting in lieu thereof the fol-
18 lowing sentence: “Such recommendations as are approved
19 by the Secretary of Commerce shall be transmitted to the
20 Secretary of Transportation for his approval.”

21 ~~(5)~~ The second sentence of subsection ~~(c)~~ of that sec-
22 tion is amended by inserting after the word “Secretary” the
23 words “of Transportation”.

24 ~~(6)~~ Subsection ~~(e)~~ of that section is amended by in-

1 serting after the word "Secretary" the words "of Transpor-
2 tation".

3 (7) Subsection (f) of that section is amended by in-
4 serting after the word "Secretary", the words "of Com-
5 merce and the Secretary of Transportation". Subsection
6 (f) of that section is further amended by striking the word
7 "determines" and inserting in lieu thereof "determine".

8 (8) Subsection (g) of that section is amended by
9 striking the period at the end thereof and adding the follow-
10 ing: "to the Secretary of Commerce, who shall transfer funds
11 to the Secretary of Transportation for administration of proj-
12 ects approved by both Secretaries."

13 (e) Section 206(e) of the Appalachian Regional De-
14 velopment Act of 1965 (79 Stat. 15) is amended by insert-
15 ing after "Interior," the words "Secretary of Transporta-
16 tion,".

17 (d) Sections 12, 13(1), 13(2), 20 (except clauses
18 (3), (4), (11), and (12) thereof), 204(a) (except
19 clauses 4 and 4a thereof), 204(e), 205(d), 205(f), 220
20 (except subsection (e) thereof), and 222 (except subsec-
21 tions (b)(2) and (b)(3) thereof) of the Interstate Com-
22 merce Act (27 Stat. 379) are amended by inserting "(Sec-
23 retary of Transportation with respect to the establishment
24 and enforcement of reasonable requirements with respect to
25 qualifications and maximum hours of service of employees;

1 safety of operation and equipment, and ear service)" im-
 2 mediately after "Commission" where it first occurs in each
 3 such section; and by inserting "or Secretary of Transportation
 4 as the case may be" after Commission in every other place
 5 where it occurs in each such section; except where it occurs
 6 in the proviso of section 220(a) and the last time in section
 7 222(h).

8 (c) Section 212(a) of the Interstate Commerce Act (49
 9 Stat. 555) is amended by striking "of the Commission" the
 10 second, third, and fourth times those words occur.

11 (f) Section 13(b) of the Fair Labor Standards Act of
 12 1938 (52 Stat. 1067) is amended by striking the words
 13 "Interstate Commerce Commission" and inserting in lieu
 14 thereof "Secretary of Transportation."

15 (g) Section 18(1) of the Interstate Commerce Act
 16 (24 Stat. 386) is amended by inserting "or Secretary of
 17 Transportation with respect to the establishment and en-
 18 forcement of reasonable requirements with respect to quali-
 19 fications and maximum hours of services of employees, safety
 20 of operation and equipment, and ear service" after "Com-
 21 mission" where it last occurs therein.

22 (h) The second sentence of section 3 of the Federal
 23 Explosives Act (40 Stat. 385) is amended as follows:
 24 "This Act shall not apply to explosives or ingredients which
 25 are in transit upon vessels, railroad cars, aircraft, or other

1 conveyances in conformity with statutory law or with the
2 rules and regulations of the Secretary of Transportation.”

3 ADMINISTRATIVE PROVISIONS

4 SEC. 9. (a) In addition to the authority contained in
5 any other Act which is transferred to and vested in the
6 Secretary, the Secretary is authorized, subject to the civil
7 service and classification laws, to select, appoint, employ,
8 and fix the compensation of such officers and employees, in-
9 cluding attorneys, as are necessary to carry out the pro-
10 visions of this Act and to prescribe their authority and
11 duties.

12 (b) Subsection b of section 505 of the Classification
13 Act of 1949 (63 Stat. 959), relating to the maximum
14 number of positions authorized at any one time for grades
15 16, 17, and 18 of the General Schedule of such Act, is
16 further amended by striking the number “twenty-four hun-
17 dred” and by inserting in lieu thereof “twenty-four hundred
18 and forty-five.”

19 (c) The Secretary may obtain services as authorized
20 by section 15 of the Act of August 2, 1946 (60 Stat. 810),
21 but at rates not to exceed \$100 per diem for individuals
22 unless otherwise specified in an appropriation Act.

23 (d) The Secretary is authorized to provide for par-
24 ticipation of military personnel in carrying out his functions.
25 Members of the Army, the Navy, the Air Force, or the

1 Marine Corps may be detailed for service in the Department
 2 by the appropriate Secretary; pursuant to cooperative agree-
 3 ments with the Secretary of Transportation. Members so
 4 detailed shall not be charged against any statutory limitation
 5 on grades or strengths applicable to the military departments.

6 ~~(c)(1)~~ Appointment, detail, or assignment to, accept-
 7 ance of, and service in any appointive or other position in
 8 the Department under the authority of section 4(1) and
 9 section 9(d) shall in no way affect status, office, rank, or
 10 grade which officers or enlisted men may occupy or hold
 11 or any emolument, perquisite, right, privilege, or benefit
 12 incident to or arising out of any such status, office, rank, or
 13 grade. A person so appointed, detailed, or assigned shall
 14 not be subject to direction by or control by his armed force
 15 or any officer thereof directly or indirectly with respect to
 16 the responsibilities exercised in the position to which ap-
 17 pointed, detailed, or assigned.

18 ~~(2)~~ The Secretary shall report annually in writing to
 19 the appropriate committees of the Congress on personnel
 20 appointed and agreements entered into under subsection (d)
 21 of this section, including the number, rank, and positions of
 22 members of the armed services detailed pursuant thereto.

23 ~~(f)~~ In addition to the authority to delegate and redele-
 24 gate contained in any other Act in the exercise of the func-

1 tions transferred to or vested in the Secretary in this Act,
2 the Secretary may delegate any of his functions, powers, and
3 duties to such officers and employees of the Department
4 as he may designate, may authorize such successive redele-
5 gations of such functions, powers, and duties as he may deem
6 desirable, and may make such rules and regulations as may
7 be necessary to carry out his functions, powers, and duties.

8 ~~(g)~~ The personnel, assets, liabilities, contracts, prop-
9 erty, records, and unexpended balances of appropriations,
10 authorizations, allocations, and other funds employed, held,
11 used, arising from, available or to be made available, of the
12 Federal Aviation Agency, and of the head and other officers
13 and offices thereof, are hereby transferred to the Secretary.

14 ~~(h)~~ So much of the personnel, assets, liabilities, con-
15 tracts, property, records, and unexpended balances of ap-
16 propriations, authorizations, allocations, and other funds
17 employed, held, used, arising from, available or to be made
18 available in connection with the functions, powers, and duties
19 transferred by sections 6 (except section 6(c)) and 8(d),
20 (e), (f), and (g) of this Act as the Director of the Bureau
21 of the Budget shall determine shall be transferred to the
22 Secretary.

23 ~~(i)~~ The transfer of personnel pursuant to subsections
24 (e) and (f) of this section shall be without reduction in clas-
25 sification and compensation, except that this requirement

1 shall not operate after one year from the date such transfers
2 are made.

3 (j) Any offices and any agency heretofore established
4 by law, all the functions, powers, and duties of which are
5 transferred pursuant to this Act shall lapse: *Provided, how-*
6 *ever,* That this sentence shall not apply to the Coast Guard:
7 *And provided further,* That any person holding a position
8 compensated in accordance with the Federal Executive Sal-
9 ary Schedule who, without a break in service, is appointed
10 in the Department to a position having duties comparable to
11 those performed at the effective date of this Act shall con-
12 tinue to be compensated at not less than the rate provided
13 for such level for the duration of his service in such position.

14 (k) The Secretary is authorized to establish a working
15 capital fund, to be available without fiscal year limitation,
16 for expenses necessary for the maintenance and operation of
17 such common administrative services as he shall find to be
18 desirable in the interest of economy and efficiency in the De-
19 partment, including such services as a central supply service
20 for stationery and other supplies and equipment for which
21 adequate stocks may be maintained to meet in whole or in
22 part the requirements of the Department and its agencies;
23 central messenger, mail, telephone, and other communica-
24 tions services; office space, central services for document re-
25 production, and for graphics and visual aids; and a central

1 library service. The capital of the fund shall consist of the
 2 fair and reasonable value of such stocks of supplies, equip-
 3 ment, and other assets and inventories on order as the Sec-
 4 retary may transfer to the fund, less the related liabilities and
 5 unpaid obligations, together with any appropriations made
 6 for the purpose of providing capital, which appropriations
 7 are hereby authorized. Such funds shall be reimbursed from
 8 available funds of agencies and offices in the Department,
 9 or from other sources, for supplies and services at rates which
 10 will approximate the expense of operation, including the ac-
 11 crual of annual leave and the depreciation of equipment. The
 12 fund shall also be credited with receipts from sale or exchange
 13 of property and receipts in payment for loss or damage
 14 to property owned by the fund.

15 (1) The Secretary shall cause a seal of office to be
 16 made for the Department of such device as he shall approve,
 17 and judicial notice shall be taken of such seal.

18 CONFORMING AMENDMENTS TO OTHER LAWS

19 SEC. 10. (a) Section 19(d)(1) of title 2, United States
 20 Code, is hereby amended by striking out the period at the
 21 end thereof and inserting a comma and the following: "Sec-
 22 retary of Transportation."

23 (b) Section 158 of the Revised Statutes (5 U.S.C. 1)
 24 is amended by adding at the end thereof:

25 "Twelfth. The Department of Transportation."

1 ~~(c)~~ The amendment made by subsection ~~(b)~~ of this
 2 section shall not be construed to make applicable to the
 3 Department any provision of law inconsistent with this Act.

4 ~~(d)~~ Section 303 of the Federal Executive Salary Act
 5 of 1964 (~~78 Stat. 416~~) is amended as follows:

6 ~~(1)~~ subsection ~~(a)~~ of that section is amended by adding
 7 at the end thereof the following:

8 ~~“(11) Secretary of Housing and Urban Development.~~

9 ~~“(12) Secretary of Transportation.”~~

10 ~~(2)~~ subsection ~~(c)~~ of that section is amended by strik-
 11 ing ~~“(6) Under Secretary of Commerce for Transportation”~~
 12 and inserting in lieu thereof ~~“(6) Under Secretary of Trans-~~
 13 ~~portation”.~~

14 ~~(3)~~ subsection ~~(d)~~ of that section is amended by add-
 15 ing the following:

16 ~~“(22a) Assistant Secretaries, Department of Transpor-~~
 17 ~~tation (4)”.~~

18 ~~“(47a) General Counsel, Department of Transporta-~~
 19 ~~tion”.~~

20 ~~(4)~~ subsection ~~(e)~~ of that section is amended by add-
 21 ing the following:

22 ~~“(27a) Assistant Secretary for Administration, Depart-~~
 23 ~~ment of Transportation”.~~

24 ~~“(101) Chairman, National Transportation Safety~~
 25 ~~Board, Department of Transportation”.~~

1 ~~(5)~~ subsection ~~(f)~~ of that section is amended by striking
2 ing out “thirty” and inserting in lieu thereof “thirty-nine.”

3 ~~(6)~~ Immediately following subsection ~~(g)~~ of that section,
4 the following new subsection is added:

5 “(h) The President is further authorized to place one
6 position in level III.”

7 ~~(c)~~ Subsections ~~(b)(7)~~, ~~(d)(2)~~, and ~~(e)(12)~~,
8 ~~(13)~~, ~~(14)~~, ~~(76)~~, ~~(82)~~, and ~~(89)~~ of section 303 of the
9 Federal Executive Salary Act of 1964 (~~78 Stat. 416~~) are
10 repealed, subject to the provisions of section 9 of the Department
11 of Transportation Act.

12 ~~(f)~~ The Act of August 1, 1956 (~~70 Stat. 897~~), is
13 amended by striking the words “Secretary of Commerce”
14 where they appear therein and inserting in lieu thereof
15 “Secretary of Transportation.”

16 ~~(g)~~ Title 18, United States Code, section 1020 is
17 amended by striking the words “Secretary of Commerce”
18 where they appear therein and inserting in lieu thereof “Secretary
19 of Transportation.”

20 ~~(h)~~ Subsection ~~(1)~~ of section 801, title 10, United
21 States Code, is amended by striking out “the General Counsel
22 of the Department of the Treasury” and inserting in lieu
23 thereof “the General Counsel of the Department of Transportation.”
24

ANNUAL REPORT

SEC. 11. The Secretary shall, as soon as practicable after the end of each fiscal year, make a report in writing to the President for submission to the Congress on the activities of the Department during the preceding fiscal year.

SAVINGS PROVISIONS

SEC. 12. (a) All orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges which have been issued, made, granted, or allowed to become effective by any department or agency, functions of which are transferred by this Act, or by any court of competent jurisdiction, or under any provision of law repealed or amended by this Act, or in the exercise of duties, powers, or functions which, under this Act are vested in the Secretary, and which are in effect at the time this section takes effect, shall continue in effect according to their terms until modified, terminated, superseded, set aside, or repealed by the Secretary, or by any court of competent jurisdiction, or by operation of law.

(b) The provisions of this Act shall not affect any proceedings pending at the time this section takes effect before any department, agency, or component thereof, functions of which are transferred by this Act; but any such proceedings involved in such transfer shall be continued before the De-

1 department of Transportation, orders therein issued, appeals
2 therefrom taken, and payments made pursuant to such
3 orders, as if this Act had not been enacted; and orders
4 issued in any such proceedings shall continue in effect until
5 modified, terminated, superseded, or repealed by the Secre-
6 tary or by operation of law.

7 (e) The provisions of this Act shall not affect suits
8 commenced prior to the date on which this section takes
9 effect; and all such suits shall be continued by the Depart-
10 ment of Transportation, proceedings therein had, appeals
11 therein taken, and judgments therein rendered, in the same
12 manner and effect as if this Act had not been enacted. No
13 suit, action, or other proceeding commenced by or against
14 any officer in his official capacity of any department or
15 agency, functions of which are transferred by this Act, shall
16 abate by reason of the enactment of this Act. No cause of
17 action by or against any department or agency, functions
18 of which are transferred by this Act, or by or against any
19 officer thereof in his official capacity shall abate by reason
20 of the enactment of this Act. Causes of actions, suits, actions
21 or other proceedings may be asserted by or against the
22 United States or such official of the Department as may
23 be appropriate and, in any litigation pending when this
24 section takes effect, the court may at any time, on its own

1 motion or that of any party, enter an order which will give
2 effect to the provisions of this section.

3 (d) With respect to any function, power, or duty trans-
4 ferred by this Act and exercised hereafter, reference in any
5 other Federal law to any department or agency, officer or
6 office so transferred or functions of which are so transferred
7 shall be deemed to mean the Secretary.

8

SEPARABILITY

9 SEC. 13. If any provision of this Act or the application
10 thereof to any person or circumstances is held invalid, the
11 remainder of this Act, and the application of such provision
12 to other persons or circumstances shall not be affected
13 thereby.

14

CODIFICATION

15 SEC. 14. The Secretary is directed to submit to the
16 Congress within two years from the effective date of this
17 Act, a codification of all laws that contain the powers, duties
18 and functions transferred to and vested in the Secretary of
19 the Department by this Act.

20

EFFECTIVE DATE

21 SEC. 15. The President and the Secretary are authorized
22 to nominate and appoint any of the officers provided for in
23 sections 3 and 5 of this Act, as provided in such sections, at

1 any time after the date of enactment of this Act. Such
2 officers shall be compensated from the date they first take
3 office, in accordance with sections 5 and 10 of this Act.
4 Such compensation and related expenses of their offices shall
5 be paid from funds available for the functions to be trans-
6 ferred to the Department pursuant to this Act. All other
7 provisions of this Act shall take effect ninety days after the
8 Secretary first takes office, or on such prior date after en-
9 actment of this Act as the President shall prescribe and
10 publish in the Federal Register.

11 *That this Act may be cited as the "Department of Trans-*
12 *portation Act."*

13 *DECLARATION OF PURPOSE*

14 *SEC. 2. The Congress hereby declares that the general*
15 *welfare, the economic growth and stability of the Nation*
16 *and its security require the development of national trans-*
17 *portation policies and programs conducive to the provision of*
18 *fast, safe, efficient, and convenient transportation at the low-*
19 *est cost consistent therewith and with other national objectives,*
20 *including the efficient utilization and conservation of the*
21 *Nation's resources.*

22 *The Congress therefore finds that the establishment of*
23 *a Department of Transportation is necessary in the public*
24 *interest and to assure the coordinated, effective administra-*
25 *tion of the transportation programs of the Federal Govern-*

1 ment; to facilitate the development and improvement of
2 coordinated transportation service, to be provided by private
3 enterprise to the maximum extent feasible; to encourage
4 cooperation of Federal, State, and local governments, car-
5 riers, labor, and other interested parties toward the achieve-
6 ment of national transportation objectives; to stimulate
7 technological advances in transportation; to provide general
8 leadership in the identification and solution of transportation
9 problems; and to develop and recommend to the President
10 and the Congress national transportation policies and pro-
11 grams to accomplish these objectives with full and appro-
12 priate consideration of the needs of the public, users, carriers,
13 industry, labor, and the national defense.

14 It is hereby declared to be the national policy that, in
15 carrying out the provisions of this Act, special effort should
16 be made to preserve the natural beauty of the countryside
17 and public park and recreation lands, wildlife and waterfowl
18 refuges, and historic sites.

19 ESTABLISHMENT OF DEPARTMENT

20 SEC. 3. (a) There is hereby established at the seat of
21 government an executive department to be known as the
22 Department of Transportation (hereinafter referred to as the
23 "Department"). There shall be at the head of the Depart-
24 ment a Secretary of Transportation (hereinafter referred to

1 as the "Secretary"), who shall be appointed by the Presi-
2 dent, by and with the advice and consent of the Senate.

3 (b) There shall be in the Department an Under Secre-
4 tary, who shall be appointed by the President, by and with
5 the advice and consent of the Senate. The Under Secretary
6 (or, during the absence or disability of the Under Secretary,
7 or in the event of a vacancy in the office of Under Secretary,
8 an Assistant Secretary or the General Counsel, determined
9 according to such order as the Secretary shall prescribe)
10 shall act for, and exercise the powers of the Secretary, dur-
11 ing the absence or disability of the Secretary or in the event
12 of a vacancy in the office of Secretary. The Under Secre-
13 tary shall perform such functions, powers, and duties as the
14 Secretary shall prescribe from time to time.

15 (c) There shall be in the Department four Assistant
16 Secretaries and a General Counsel, who shall be appointed
17 by the President, by and with the advice and consent of the
18 Senate, and who shall perform such functions, powers, and
19 duties as the Secretary shall prescribe from time to time.

20 (d) There shall be in the Department an Assistant Sec-
21 retary for Administration, who shall be appointed, with the
22 approval of the President, by the Secretary under the classi-
23 fied civil service who shall perform such functions, powers,
24 and duties as the Secretary shall prescribe from time to time.

25 (e)(1) The Secretary shall establish within the Depart-

1 *ment a Federal Highway Administration; a Federal Rail-*
2 *road Administration; a Federal Maritime Administration;*
3 *and a Federal Aviation Administration. Each of these com-*
4 *ponents shall be headed by an Administrator, and in the case*
5 *of the Federal Aviation Administration there shall also be*
6 *a Deputy Administrator. The Administrators and the Dep-*
7 *uty Federal Aviation Administrator shall be appointed by*
8 *the President, by and with the advice and consent of the*
9 *Senate.*

10 *(2) The qualifications of the Administrator of the Fed-*
11 *eral Aviation Agency specified in section 301(b) of the Fed-*
12 *eral Aviation Act of 1958, as amended (72 Stat. 744; 49*
13 *U.S.C. 1341), and the qualifications and status of the*
14 *Deputy Administrator specified in section 302(b) of the*
15 *Federal Aviation Act of 1958, as amended (72 Stat. 744;*
16 *49 U.S.C. 1342), shall apply, respectively, to the Admin-*
17 *istrator and Deputy Administrator of the Federal Aviation*
18 *Administration. However, nothing in this Act shall be*
19 *construed to preclude the appointment of the present Admin-*
20 *istrator of the Federal Aviation Agency as Administrator*
21 *of the Federal Aviation Administration in accordance with*
22 *the provisions of the Act of June 22, 1965, as amended*
23 *(79 Stat. 171).*

24 *(3) The Administrators and the Commandant of the*
25 *Coast Guard shall report directly to the Secretary. They*

1 shall carry out such functions, powers, and duties as the
2 Secretary may prescribe and such additional functions, pow-
3 ers, and duties as specified in this Act.

4 (4) The functions, powers, and duties specified in this
5 Act to be carried out by each Administrator and by the
6 Maritime Board shall not be transferred elsewhere in the
7 Department unless specifically provided for by reorganiza-
8 tion plan submitted pursuant to provisions of chapter 9 of
9 title V of the United States Code, or by statute.

10 (f)(1) The Secretary shall carry out the provisions of
11 the National Traffic and Motor Vehicle Safety Act of 1966
12 (80 Stat. 718) through a National Traffic Safety Bureau
13 (hereinafter referred to as "Bureau"), which he shall estab-
14 lish in the Department of Transportation. The Bureau
15 shall be headed by a Director who shall be appointed by the
16 President, by and with the advice and consent of the Senate,
17 and shall be compensated at the rate prescribed for level V
18 of the Federal Executive Salary Schedule. All other pro-
19 visions of the National Traffic and Motor Vehicle Safety
20 Act of 1966 shall apply.

21 (2) The Secretary shall carry out the provisions of the
22 Highway Safety Act of 1966 (80 Stat. 731) (including
23 chapter 4 of title 23 of the United States Code) through a
24 National Highway Safety Bureau (hereinafter referred to
25 as "Bureau"), which he shall establish in the Department of

1 *Transportation. The Bureau shall be headed by a Director*
2 *who shall be appointed by the President, by and with the*
3 *advice and consent of the Senate, who shall be compensated*
4 *at the rate prescribed for level V of the Federal Executive*
5 *Salary Schedule. All other provisions of the Highway*
6 *Safety Act of 1966 shall apply.*

7 (3) *The President is authorized, as provided in section*
8 *201 of the Highway Safety Act of 1966, to carry out the*
9 *provisions of the National Traffic and Motor Vehicle Safety*
10 *Act of 1966 through the Bureau and Director authorized by*
11 *section 201 of the Highway Safety Act of 1966.*

12 (4) *The office of Federal Highway Administrator,*
13 *created by section 303 of title 23, United States Code, is*
14 *hereby transferred to and continued within the Department*
15 *under the title Director of Public Roads. The Director*
16 *shall be the operating head of the Bureau of Public Roads,*
17 *or any other agency created within the Department to carry*
18 *out the primary functions carried out on the effective day*
19 *of this Act by the Bureau of Public Roads, and he shall*
20 *be compensated at the rate prescribed for level IV of the*
21 *Federal Executive Salary Schedule.*

22 GENERAL PROVISIONS

23 SEC. 4. (a) *The Secretary in carrying out the pur-*
24 *poses of this Act shall, among his responsibilities, exercise*
25 *leadership under the direction of the President in transpor-*

1 *tation matters, including those affecting the national defense*
2 *and those involving national or regional emergencies; pro-*
3 *vide general leadership in the development of national trans-*
4 *portation policies and programs, and make recommendations*
5 *to the President and the Congress for their implementation;*
6 *promote and undertake development, collection, and dissem-*
7 *ination of technological, statistical, economic, and other in-*
8 *formation relevant to domestic and international transporta-*
9 *tion; promote and undertake research and development in*
10 *and among all modes and types of transportation services*
11 *and facilities; promote and undertake research and develop-*
12 *ment with respect to noise abatement, with particular atten-*
13 *tion to aircraft noise; and consult with the heads of other*
14 *Federal departments and agencies engaged in the procure-*
15 *ment of transportation or the operation of their own transport*
16 *services to encourage them to establish and observe policies*
17 *consistent with the maintenance of a coordinated transporta-*
18 *tion system operated by private enterprise.*

19 *(b)(1) In carrying out his duties and responsibilities*
20 *under this Act, the Secretary shall be governed by all appli-*
21 *cable statutes including the policy standards set forth in*
22 *the Federal Aviation Act of 1958, as amended (49 U.S.C.*
23 *1301 et seq.); the national transportation policy of the Inter-*
24 *state Commerce Act, as amended (49 U.S.C., preceding*
25 *§§ 1, 301, 901, and 1001); the Merchant Marine Act of*

1 1920, as amended (41 Stat. 988; 46 U.S.C. 861 et seq.);
 2 the Merchant Marine Act, 1928, as amended (45 Stat. 689;
 3 46 U.S.C. 891 et seq.); the Merchant Marine Act, 1936, as
 4 amended (49 Stat. 1985 (title I); 46 U.S.C. 1101 et seq.);
 5 the Shipping Act, 1916, as amended (60 Stat. 41; 46 U.S.C.
 6 801 et seq.); the Merchant Marine Ship Sales Act of 1946,
 7 as amended (60 Stat. 41; 50 U.S.C. App. 1735 et seq.); the
 8 Act of August 27, 1958, as amended (72 Stat. 885; 23
 9 U.S.C. 101 et seq. Federal-Aid Highways); and title 14
 10 U.S.C., titles LII and LIII of the Revised Statutes (46
 11 U.S.C., chs. 2A, 7, 11, 14, 15, and 18), the Act of April 25,
 12 1940, as amended (54 Stat. 163; 46 U.S.C. 526-526u),
 13 and the Act of September 2, 1958, as amended (72 Stat.
 14 1754; 46 U.S.C. 527-527h), all relating to the United
 15 States Coast Guard.

16 (2) Nothing in this Act shall be construed to authorize,
 17 without appropriate action by Congress, the adoption, revi-
 18 sion, or implementation of any transportation policy, or
 19 investment standards or criteria contrary to or inconsistent
 20 with any Act of Congress.

21 (c) Orders and actions of the Secretary or the National
 22 Transportation Safety Board in the exercise of functions,
 23 powers, and duties transferred under this Act, and orders
 24 and actions of the Administrators and the Maritime Board

1 taken pursuant to the functions, powers, and duties specif-
2 ically assigned to them by this Act, shall be subject to judicial
3 review to the same extent and in the same manner as if such
4 orders and actions had been taken by the department or
5 agency exercising such functions, powers, and duties imme-
6 diately preceding their transfer.

7 (d) In the exercise of the functions, powers, and duties
8 transferred under this Act, the Secretary, the Administrators,
9 and the National Transportation Safety Board and the Mari-
10 time Board shall have the same authority as that vested in the
11 department or agency exercising such functions, powers, and
12 duties immediately preceding their transfer, and their actions
13 in exercising such functions, powers, and duties shall have the
14 same force and effect as when exercised by such department
15 or agency.

16 (e) It shall be the duty of the Secretary to investigate the
17 safety compliance record of each carrier (or person) seek-
18 ing authority from the Interstate Commerce Commission
19 (referred to in this subsection as the "Commission") and
20 to report his findings to the Commission, and in addition
21 (1) to intervene and present evidence of the applicant's fit-
22 ness in Commission application proceedings for permanent
23 authority or for approval of proposed transactions when
24 applicant's safety record fails to satisfy the Secretary; (2) to
25 furnish promptly upon request of the Commission a state-

1 *ment regarding the safety record of any carrier (or person)*
2 *seeking temporary operating authority from the Commission;*
3 *and (3) to furnish upon request of the Commission a com-*
4 *plete report of the safety compliance of any carrier and also*
5 *have made such additional inspections or safety compliance*
6 *surveys which thereafter the Commission deems necessary or*
7 *desirable in order to process an application or to determine*
8 *the fitness of a carrier, including interrention and presenta-*
9 *tion of evidence upon request of the Commission.*

10 *(f) The Secretary shall cooperate and consult with the*
11 *Secretaries of the Interior, Housing and Urban Develop-*
12 *ment, and Agriculture, and with the States in developing all*
13 *transportation plans and programs that carry out such*
14 *policy and include measures to maintain or enhance the*
15 *natural beauty of the lands traversed. After the effective*
16 *date of this Act, the Secretary shall not approve any program*
17 *or project which requires the use of any land from a public*
18 *park, recreation area, wildlife and waterfowl refuge, or*
19 *historic site unless (1) there is no feasible alternative to the*
20 *use of such land, and (2) such program includes all possible*
21 *planning to minimize harm to such park, recreational area,*
22 *or historic site resulting from such use.*

23 *(g) The Secretary and the Secretary of Housing and*
24 *Urban Development shall consult and exchange information*
25 *regarding their respective transportation policies and activ-*

ities; carry on joint planning, research, and other activities; and coordinate assistance for local transportation projects. They shall jointly study how Federal policies and programs can assure that urban transportation systems most effectively serve both national transportation needs and the comprehensively planned development of urban areas. They shall, within one year after the effective date of this Act, and annually thereafter, report to the President, for submission to the Congress, on their studies and other activities under this subsection, including any legislative recommendations which they determine to be desirable.

SEC. 5. (a) There is hereby established within the Department a National Transportation Safety Board (referred to hereafter in this Act as "Board").

(b) There are hereby transferred to, and it shall be the duty of the Board to exercise, the functions, powers, and duties transferred to the Secretary by sections 6 and 8 of this Act with regard to—

(1) determining the cause or probable cause of transportation accidents and reporting the facts, conditions, and circumstances relating to such accidents; and

(2) reviewing on appeal the suspension, amendment, modification, revocation, or denial of any certificate or license issued by the Secretary or by an Administrator.

1 (c) *The Board shall exercise the functions, powers, and*
2 *duties relating to aircraft accident investigations transferred*
3 *to the Secretary by section 6(d) of this Act.*

4 (d) *The Board is further authorized to—*

5 (1) *make such recommendations to the Secretary*
6 *or Administrators on the basis of the exercise of its func-*
7 *tions, powers, and duties which, in its opinion, will tend*
8 *to prevent transportation accidents and promote transpor-*
9 *tation safety;*

10 (2) *conduct special studies on matters pertaining*
11 *to safety in transportation and the prevention of acci-*
12 *dents;*

13 (3) *insure that in cases in which it is required to*
14 *determine cause or probable cause, reports of investi-*
15 *gation adequately state the circumstances of the accident*
16 *involved;*

17 (4) *initiate on its own motion or conduct rail, high-*
18 *way, or pipeline accident investigations as the Board*
19 *deems necessary or appropriate;*

20 (5) *make recommendations to the Secretary or ap-*
21 *propriate Administrator concerning rules, regulations,*
22 *and procedures for the conduct of accident investigations;*

23 (6) *request the Secretary or appropriate Admin-*
24 *istrator to initiate specific accident investigations or con-*

1 *duct further investigations as the Board determines to*
2 *be necessary or appropriate;*

3 *(7) arrange for the personal participation of mem-*
4 *bers or other personnel of the Board in accident inves-*
5 *tigations conducted by the Secretary or appropriate*
6 *Administrator in such cases as it deems appropriate; and*

7 *(8) request from the Secretary or appropriate*
8 *Administrators notification of transportation accidents*
9 *and reports of such accidents as the Board deems*
10 *necessary.*

11 *(c) Except as otherwise provided by statute, the Board*
12 *shall make public all reports, orders, decisions, rules, and*
13 *regulations issued pursuant to sections 5(b)(1) and 5(b)(2)*
14 *and the Board shall also make public—*

15 *(1) every recommendation made to the Secretary*
16 *or an Administrator;*

17 *(2) every special study conducted; and*

18 *(3) every action of the Board requesting the Secre-*
19 *tary or an Administrator to take action pursuant to sec-*
20 *tion 5(d) (1), (2), (3), (5), (6), or (8).*

21 *(f) In the exercise of its functions, powers, and duties,*
22 *the Board shall be independent of the Secretary and the other*
23 *offices and officers of the Department.*

24 *(g) The Board shall report to the Congress annually on*
25 *the conduct of its functions under this Act and the effective-*

1 ness of accident investigations in the Department, together
2 with such recommendations for legislation as it may deem
3 appropriate.

4 (h) The Board shall consist of five members to be ap-
5 pointed by the President, by and with the advice and consent
6 of the Senate. No more than three members of the Board
7 shall be of the same political party. Members of the Board
8 shall be appointed with due regard to their fitness for the
9 efficient dispatch of the functions, powers, and duties vested
10 in and imposed upon the Board, and may be removed by
11 the President for inefficiency, neglect of duty, or malfeasance
12 in office.

13 (i) Members of the Board shall be appointed for terms
14 of five years, except that (1) any member appointed to fill
15 a vacancy occurring prior to the expiration of the term for
16 which his predecessor was appointed shall be appointed only
17 for the remainder of such term, and (2) the five members
18 first appointed shall serve for terms (designated by the
19 President at the time of appointment) ending on the last
20 day of the first, second, third, fourth, and fifth calendar
21 years beginning after the year of enactment of this Act.
22 Upon the expiration of his term of office, a member shall
23 continue to serve until his successor is appointed and shall
24 have qualified.

25 (j) The President shall designate from time to time

1 one of the members of the Board as Chairman and one of
2 the members as Vice Chairman, who shall act as Chairman
3 in the absence or incapacity of the Chairman, or in the event
4 of a vacancy in the office of the Chairman. The Chairman
5 shall be the chief executive and administrative officer of the
6 Board and shall exercise the responsibility of the Board with
7 respect to (1) the appointment and supervision of personnel
8 employed by the Board; (2) the distribution of business
9 among the Board's personnel; and (3) the use and expendi-
10 ture of funds. In executing and administering the functions
11 of the Board on its behalf, the Chairman shall be governed by
12 the general policies of the Board and by its decisions, find-
13 ings, and determinations. Three of the members shall con-
14 stitute a quorum of the Board.

15 (k) The Board is authorized to establish such rules,
16 regulations, and procedures as are necessary to the exercise
17 of its functions.

18 (l) In carrying out its functions, the Board (or, upon
19 the authorization of the Board, any member thereof or any
20 hearing examiner assigned to or employed by the Board)
21 shall have the same powers as are vested in the Secretary
22 to hold hearings, sign and issue subpoenas, administer oaths,
23 examine witnesses, and receive evidence at any place in the
24 United States it may designate.

25 (m) The Board may delegate to any officer or official of

1 the Board, or, with the approval of the Secretary, to any
2 officer or official of the Department such of its functions as it
3 may deem appropriate: Provided, however, That with respect
4 to aviation, the proviso in section 701(g) of the Federal Avia-
5 tion Act of 1958, as amended (72 Stat. 782; 49 U.S.C.
6 1441(g)) shall apply to the Secretary and his representa-
7 tives; and

8 *Provided further, That the Board shall not delegate the*
9 *appellate functions transferred to it by section 6(d) of this*
10 *Act.*

11 (n) *Subject to the civil service and classification laws, the*
12 *Board is authorized to select, appoint, employ, and fix com-*
13 *ensation of such officers and employees, including investi-*
14 *gators, attorneys and hearing examiners, as shall be necessary*
15 *to carry out its powers and duties under this Act.*

16 (o) *The Board is authorized, on a reimbursable basis*
17 *when appropriate, to use the available services, equipment,*
18 *personnel, and facilities of the Department and of other*
19 *civilian or military agencies and instrumentalities of the Fed-*
20 *eral Government, and to cooperate with the Department and*
21 *such other agencies and instrumentalities in the establishment*
22 *and use of services, equipment, and facilities of the Board.*
23 *The Board is further authorized to confer with and avail*
24 *itself of the cooperation, services, records, and facilities of*
25 *State, territorial, municipal, or other local agencies.*

1 TRANSFERS TO DEPARTMENT

2 SEC. 6. (a) There are hereby transferred to and vested
3 in the Secretary all functions, powers, and duties of the
4 Secretary of Commerce and other offices and officers of the
5 Department of Commerce under—

6 (1) the following laws and provisions of law re-
7 lating generally to highways:

8 (A) Title 23, United States Code, as amended.

9 (B) The Federal-Aid Highway Act of 1966
10 (80 Stat. 766).

11 (C) The Federal-Aid Highway Act of 1962,
12 as amended (76 Stat. 1145; 23 U.S.C. 307 note).

13 (D) The Act of July 14, 1960, as amended
14 (74 Stat. 526; 23 U.S.C. 313 note).

15 (E) The Federal-Aid Highway Act of 1954,
16 as amended (68 Stat. 70).

17 (F) The Act of September 26, 1961, as
18 amended (75 Stat. 670).

19 (G) The Highway Revenue Act of 1956, as
20 amended (70 Stat. 387; 23 U.S.C. 120 note).

21 (H) The Highway Beautification Act of 1965,
22 as amended (79 Stat. 1028; 23 U.S.C. 131 et seq.
23 notes).

1 (I) *The Alaska Omnibus Act, as amended (73*
2 *Stat. 141; 48 U.S.C. 21 note prec.)*.

3 (J) *The Joint Resolution of August 28, 1965,*
4 *as amended (79 Stat. 578; 23 U.S.C. 101 et seq.*
5 *notes)*.

6 (K) *Section 502 of the General Bridge Act of*
7 *1946, as amended (60 Stat. 847; 33 U.S.C. 525*
8 *(c))*.

9 (L) *The Act of April 27, 1962, as amended*
10 *(76 Stat. 59)*.

11 (M) *Reorganization Plan No. 7 of 1949 (63*
12 *Stat. 1070; 5 U.S.C. 1332-15 note)*.

13 (2) *the following laws and provisions of law relat-*
14 *ing generally to ground transportation:*

15 (A) *The Act of September 30, 1965, as*
16 *amended (79 Stat. 893; 49 U.S.C. 1631 et seq.)*.

17 (B) *The Urban Mass Transportation Act of*
18 *1964, as amended (78 Stat. 306, 49 U.S.C. 1607)*.

19 (3) *the following laws and provisions of law relat-*
20 *ing generally to aircraft:*

21 (A) *The Act of September 7, 1957, as amended*
22 *(71 Stat. 629; 49 U.S.C. 1324 note)*.

1 (B) *Section 410 of the Federal Aviation Act of*
2 *1958, as amended (72 Stat. 769; 49 U.S.C. 1380).*

3 (C) *Title XIII of the Federal Aviation Act of*
4 *1958, as amended (72 Stat. 800; 49 U.S.C. 1531*
5 *et seq.).*

6 (4) *the following law relating generally to pilotage:*
7 *The Great Lakes Pilotage Act of 1960, as amended (74*
8 *Stat. 259; 46 U.S.C. 216 et seq.).*

9 (5)(A) *the following laws and provisions of law*
10 *relating generally to the Merchant Marine:*

11 (1) *The Merchant Marine Act, 1920, as*
12 *amended (41 Stat. 988; 46 U.S.C. 861 et seq.).*

13 (2) *The Merchant Marine Act, 1928, as*
14 *amended (45 Stat. 689; 46 U.S.C. 891 et seq.).*

15 (3) *The Merchant Marine Act, 1936, as*
16 *amended (49 Stat. 1985; 46 U.S.C. 1101 et seq.).*

17 (4) *The Shipping Act, 1916, as amended*
18 *(39 Stat. 728; 46 U.S.C. 801 et seq.).*

19 (5) *The Merchant Ship Sales Act of 1946,*
20 *as amended (60 Stat. 41; 50 U.S.C. App. 1735*
21 *et seq.).*

22 (6) *The Maritime Academy Act of 1958,*
23 *as amended (72 Stat. 622; 46 U.S.C. 1381 et*
24 *seq.).*

(7) *The Act of June 12, 1940, as amended*
(54 Stat. 346; 46 U.S.C. 1331 et seq.).

(8) *The United States Fishing Fleet Improvement Act, as amended* (74 Stat. 212; 46 U.S.C. 1401 et seq.).

(9) *The Act of September 14, 1961, as amended* (75 Stat. 514; 46 U.S.C. 1126b-1).

(10) *The Act of June 13, 1957, as amended*
(71 Stat. 73; 46 U.S.C. 1177a), to the extent it
relates to operating-differential subsidies.

(11) *The Act of June 2, 1951, as amended*
(65 Stat. 59; 46 U.S.C. 1241a), to the extent it
relates to the vessel operations revolving fund.

(12) *The Act of July 24, 1956, as amended*
(70 Stat. 605; 46 U.S.C. 249 et seq.).

(13) *The Act of August 9, 1954, as amended*
(68 Stat. 675; 50 U.S.C. 196 et seq.).

(14) *Section 500 of the Transportation Act, 1920, as amended* (41 Stat. 499; 49 U.S.C. 142).

(15) *Reorganization Plan No. 21 of 1950* (64 Stat. 1273; 46 U.S.C. 1111 note).

(16) *Reorganization Plan No. 7 of 1961* (75 Stat. 840; 46 U.S.C. 1111 note).

1 (17) *Reorganization Plan No. 6 of 1949* (63
2 *Stat. 1069; 46 U.S.C. 111 note*).

3 (B) *There are hereby transferred to the Federal*
4 *Maritime Administrator and it shall be his duty to ex-*
5 *ercise the functions, powers, and duties of the Secretary*
6 *relating to the merchant marine transferred under sub-*
7 *section (a)(5)(A) of this section, except such as the*
8 *Maritime Board shall exercise in accordance with sub-*
9 *section (a)(5)(C) of this subsection.*

10 (C) *There is hereby established with the Department*
11 *a Maritime Board. The Maritime Board shall exercise*
12 *the following functions, powers, and duties:*

13 (1) *All functions, powers, and duties of the*
14 *Federal Maritime Board transferred to it under sec-*
15 *tion 105 (1), (2), and (3) of Reorganization Plan*
16 *Numbered 21 of 1950 and subsequently vested in*
17 *the Secretary of Commerce by section 202(b) of*
18 *Reorganization Plan Numbered 7 of 1961.*

19 (2) *The administration of the provisions of*
20 *title XI of the Merchant Marine Act, 1936 (52*
21 *Stat. 969; 46 U.S.C. 1271 et seq.).*

22 (D) *The Maritime Board shall be composed of three*
23 *members as follows: The Federal Maritime Administra-*
24 *tor, who shall be Chairman of the Maritime Board, and*
25 *two additional members appointed by the President, by*

1 *and with the advice and consent of the Senate. Not more*
2 *than two members of the Maritime Board shall be from*
3 *the same political party. The two additional Maritime*
4 *Board members appointed by the President shall—*

5 *(1) be appointed for terms of four years; except*
6 *that the terms of the members first appointed shall ex-*
7 *pire as follows: one on June 30, 1968, and one on*
8 *June 30, 1970; and*

9 *(2) be compensated at the rate provided for*
10 *level IV of the Federal Executive Salary Schedule.*
11 *Each member appointed to fill a vacancy occurring*
12 *prior to the term for which his predecessor was ap-*
13 *pointed shall be appointed only for the remainder of*
14 *such term. Upon the expiration of his term of office,*
15 *a member shall continue to serve until his successor*
16 *is appointed and shall have qualified. No member*
17 *shall engage in any other business, vocation, or em-*
18 *ployment.*

19 *(3) A vacancy in the Maritime Board shall be*
20 *filled in the same manner as in the case of the original*
21 *appointment. A vacancy in the Maritime Board*
22 *shall not impair the power of the remaining members*
23 *to exercise the authority of the Maritime Board.*
24 *Any two members of the Maritime Board shall con-*
25 *stitute a quorum for the transaction of business, and*

1 *the concurring votes of any two members shall be*
2 *sufficient for the disposition of any matter which may*
3 *come before the Maritime Board.*

4 *(4) The provisions of the last sentence of section*
5 *201(b) of the Merchant Marine Act, 1936 (46*
6 *U.S.C. 1111(b)), shall apply with respect to the*
7 *Federal Maritime Administrator, members of the*
8 *Maritime Board, and all officers and employees*
9 *thereof. The first two sentences of section 201(b)*
10 *of the Merchant Marine Act of 1936 (46 U.S.C.*
11 *1111(b)) are repealed.*

12 *(5) The Federal Maritime Administrator and*
13 *members of the Maritime Board shall be appointed*
14 *with due regard to their fitness for the efficient dis-*
15 *patch of the functions, powers, and duties assigned,*
16 *and the two additional Maritime Board members may*
17 *be removed by the President only for inefficiency,*
18 *neglect of duty, or malfeasance in office.*

19 *(6) The Maritime Board is authorized to estab-*
20 *lish such rules, regulations, and procedures as are*
21 *necessary to the exercise of its functions; and to*
22 *delegate to any officer or official of the Maritime*
23 *Board or Federal Maritime Administration such of*
24 *its functions as it may deem appropriate.*

25 *(7) Part II of Reorganization Plan Numbered*

1 *21 of 1950, and part II and section 303(c) of Re-*
2 *organization Plan Numbered 7 of 1961, are hereby*
3 *superseded by this Act and the amendments made*
4 *by this Act.*

5 (8) *Nothing in this Act or any of the amend-*
6 *ments made by this Act shall be deemed to affect (1)*
7 *the Federal Maritime Commission established by part*
8 *I of Reorganization Plan Numbered 7 of 1961, or*
9 *(2) any of the functions of such Commission.*

10 (E) *Decisions of the Maritime Board made pur-*
11 *suant to the exercise of the functions, powers, and duties*
12 *enumerated in subsection (a)(5)(C) of this section to*
13 *be exercised by the Maritime Board shall be admin-*
14 *istratively final, and appeals as authorized by law shall*
15 *be taken directly to the courts.*

16 (6) *the following law to the extent it authorizes*
17 *scientific and professional positions which relate pri-*
18 *marily to functions transferred by this subsection: The*
19 *Act of August 1, 1947, as amended (61 Stat. 715;*
20 *5 U.S.C. 1161).*

21 (7) *The following laws and provisions of law relat-*
22 *ing generally to traffic and highway safety:*

23 (A) *The National Traffic and Motor Vehicle Safety*
24 *Act of 1966 (80 Stat. 718).*

1 (B) *The Highway Safety Act of 1966 (80 Stat.*
2 731).

3 (b)(1) *The Coast Guard is hereby transferred to the*
4 *Department, and there are hereby transferred to and vested*
5 *in the Secretary all functions, powers, and duties, relating*
6 *to the Coast Guard, of the Secretary of the Treasury and of*
7 *other officers and offices of the Department of the Treasury.*

8 (2) *Notwithstanding the transfer of the Coast Guard*
9 *to the Department and the transfer to the Secretary of the*
10 *functions, powers, and duties, relating to the Coast Guard,*
11 *of the Secretary of the Treasury and of other officers and*
12 *offices of the Department of the Treasury, effected by the*
13 *provisions of paragraph (1) of this subsection, the Coast*
14 *Guard, together with the functions, powers, and duties*
15 *relating thereto, shall operate as a part of the Navy, subject*
16 *to the orders of the Secretary of the Navy, in time of war*
17 *or when the President shall so direct, as provided in section*
18 *3 of title 14, United States Code, as amended.*

19 (3) *Notwithstanding any other provision of this Act,*
20 *the functions, powers, and duties of the General Counsel of*
21 *the Department of the Treasury set out in chapter 47 of*
22 *title 10, United States Code, as amended (Uniform Code*
23 *of Military Justice), are hereby transferred to and vested in*
24 *the General Counsel of the Department.*

25 (c) *There are hereby transferred to and vested in the*

1 *Secretary all functions, powers, and duties of the Federal*
2 *Aviation Agency, and of the Administrator and other officers*
3 *and offices thereof, including the development and construc-*
4 *tion of a civil supersonic aircraft: Provided, however, That*
5 *there are hereby transferred to the Federal Aviation Admin-*
6 *istrator, and it shall be his duty to exercise the functions,*
7 *powers, and duties of the Secretary pertaining to aviation*
8 *safety as set forth in sections 306, 307, 308, 309, 312,*
9 *313, 314, 1101, 1105, and 1111, and titles VI, VII, IX,*
10 *and XII of the Federal Aviation Act of 1958, as amended.*
11 *In exercising these enumerated functions, powers, and duties,*
12 *the Administrator shall be guided by the declaration of*
13 *policy in section 103 of the Federal Aviation Act of 1958,*
14 *as amended. Decisions of the Federal Aviation Admin-*
15 *istrator made pursuant to the exercise of the functions,*
16 *powers, and duties enumerated in this subsection to be exer-*
17 *cised by the Administrator shall be administratively final, and*
18 *appeals as authorized by law or this Act shall be taken directly*
19 *to the National Transportation Safety Board or to the courts,*
20 *as appropriate.*

21 (d) *There are hereby transferred to and vested in the*
22 *Secretary all functions, powers, and duties of the Civil Aero-*
23 *navics Board, and of the Chairman, members, officers, and*
24 *offices thereof under titles VI (72 Stat. 775; 5 U.S.C. 1421*

1 *et seq.) and VII (72 Stat. 781; 49 U.S.C. 1441 et seq.)*
2 *of the Federal Aviation Act of 1958, as amended: Provided,*
3 *however, That these functions, powers, and duties are hereby*
4 *transferred to and shall be exercised by the National Trans-*
5 *portation Safety Board. Decisions of the National Trans-*
6 *portation Safety Board made pursuant to the exercise of the*
7 *functions, powers, and duties enumerated in this subsection*
8 *shall be administratively final, and appeals as authorized by*
9 *law or this Act shall be taken directly to the courts.*

10 (e) *There are hereby transferred to and vested in the*
11 *Secretary all functions, powers, and duties of the Interstate*
12 *Commerce Commission, and of the Chairman, members,*
13 *officers, and offices thereof, under—*

14 (1) *the following laws relating generally to safety*
15 *appliances and equipment on railroad engines and cars,*
16 *and protection of employees and travelers:*

17 (A) *The Act of March 2, 1893, as amended*
18 *(27 Stat. 531; 45 U.S.C. 1 et seq.).*

19 (B) *The Act of March 2, 1903, as amended*
20 *(32 Stat. 943; 45 U.S.C. 8 et seq.).*

21 (C) *The Act of April 14, 1910, as amended*
22 *(36 Stat. 298; 45 U.S.C. 11 et seq.).*

23 (D) *The Act of May 30, 1908, as amended*
24 *(35 Stat. 476; 45 U.S.C. 17 et seq.).*

1 (E) The Act of February 17, 1911, as
2 amended (36 Stat. 913; 45 U.S.C. 22 et seq.).

3 (F) The Act of March 4, 1915, as amended
4 (38 Stat. 1192; 45 U.S.C. 30).

5 (G) Reorganization Plan No. 3 of 1965 (79
6 Stat. 1320).

7 (H) Joint Resolution of June 30, 1906, as
8 amended (34 Stat. 838; 45 U.S.C. 35).

9 (I) The Act of May 27, 1908, as amended
10 (35 Stat. 325; 45 U.S.C. 36 et seq.).

11 (J) The Act of March 4, 1909, as amended
12 (35 Stat. 965; 45 U.S.C. 37).

13 (K) The Act of May 6, 1910, as amended
14 (36 Stat. 350; 45 U.S.C. 38 et seq.).

15 (2) the following law relating generally to hours of
16 service of employees: The Act of March 4, 1907, as
17 amended (34 Stat. 1415; 45 U.S.C. 61 et seq.).

18 (3) the following law relating generally to medals
19 for heroism: The Act of February 23, 1905, as amended
20 (33 Stat. 743; 49 U.S.C. 1201 et seq.).

21 (4) the following provisions of law relating gen-
22 erally to explosives and other dangerous articles: Sec-
23 tions 831-835 of title 18, United States Code, as
24 amended.

1 (5) the following laws relating generally to stand-
2 ard time zones and daylight saving time:

3 (A) The Act of March 19, 1918, as amended
4 (40 Stat. 450; 15 U.S.C. 261 et seq.).

5 (B) The Act of March 4, 1921, as amended
6 (41 Stat. 1446; 15 U.S.C. 265).

7 (C) The Uniform Time Act of 1966, as
8 amended (80 Stat. 107).

9 (6) the following provisions of the Interstate Com-
10 merce Act, as amended—

11 (A) relating generally to safety appliances
12 methods and systems: Section 25 (49 U.S.C. 26).

13 (B) relating generally to investigation of
14 motor vehicle sizes, weights, and service of em-
15 ployees: Section 226 (49 U.S.C. 325).

16 (C) relating generally to qualifications and
17 maximum hours of service of employees and safety
18 of operation and equipment: Sections 204(a) (1)
19 and (2), to the extent that they relate to qualifica-
20 tions and maximum hours of service of employees
21 and safety of operation and equipment; and sections
22 204(a) (3), (3a), and (5) (49 U.S.C. 304).

23 (D) to the extent they relate to private car-
24 riers of property by motor vehicle and carriers of
25 migrant workers by motor vehicle other than con-

1 tract carriers: Sections 221(a), 221(c), and 224
2 (49 U.S.C. 321 et seq.).

3 (f)(1) Nothing in subsection (e) shall diminish the
4 functions, powers, and duties of the Interstate Commerce
5 Commission under sections 1(6), 206, 207, 209, 210a, 212,
6 and 216 of the Interstate Commerce Act, as amended (49
7 U.S.C. 1(6), 306 et seq.), or under any other section of
8 that Act not specifically referred to in subsection (e).

9 (2)(A) With respect to any function which is trans-
10 ferred to the Secretary by subsection (e) and which was
11 vested in the Interstate Commerce Commission preceding
12 such transfer, the Secretary shall have the same adminis-
13 trative powers under the Interstate Commerce Act as the
14 Commission had before such transfer with respect to such
15 transferred function. After such transfer, the Commission
16 may exercise its administrative powers under the Interstate
17 Commerce Act only with respect to those of its functions
18 not transferred by subsection (e).

19 (B) For purposes of this paragraph—

20 (i) the term “function” includes power and duty,
21 and

22 (ii) the term “administrative powers under the
23 Interstate Commerce Act” means any functions under
24 the following provisions of the Interstate Commerce Act,
25 as amended: Sections 12, 13(1), 13(2), 14, 16(12),

1 the last sentence of 18(1), sections 20 (except clauses
2 (3), (4), (11), and (12) thereof), 204(a) (6) and
3 (7), 204(c), 204(d), 205(d), 205(f), 220 (except
4 subsection (c) and the proviso of subsection (a)
5 thereof), 222 (except subsections (b)(2) and (b)(3)
6 thereof), and 417(b)(1) (49 U.S.C. 12 et seq., 304
7 et seq., and 1017).

8 The Federal Railroad Administrator shall carry out
9 the functions, powers, and duties of the Secretary pertain-
10 ing to railroad and pipeline safety as set forth in the statutes
11 transferred to the Secretary by subsection (c) of this section.

12 The Federal Highway Administrator shall carry out
13 the functions, powers, and duties of the Secretary pertain-
14 ing to motor carrier safety as set forth in the statutes trans-
15 ferred to the Secretary by subsection (e) of this section.

16 Decisions of the Federal Railroad Administrator and
17 the Federal Highway Administrator made pursuant to the
18 exercise of the functions, powers, and duties enumerated in
19 the two immediately preceding paragraphs of this subsection
20 to be carried out by the Administrators shall be administra-
21 tively final, and appeals as authorized by law or this Act shall
22 be taken directly to the National Transportation Safety Board
23 or the courts, as appropriate.

24 (g) There are hereby transferred to and vested in the
25 Secretary all functions, powers, and duties of the Secretary

1 of the Army and other officers and offices of the Department
2 of the Army under—

3 (1) the following law and provisions of law relat-
4 ing generally to water vessel anchorages:

5 (A) Section 7 of the Act of March 4, 1915,
6 as amended (38 Stat. 1053; 33 U.S.C. 471).

7 (B) Article 11 of section 1 of the Act of June
8 7, 1897, as amended (30 Stat. 98; 33 U.S.C.
9 180).

10 (C) Rule 9 of section 1 of the Act of February
11 8, 1895, as amended (28 Stat. 647; 33 U.S.C.
12 258).

13 (D) Rule numbered 13 of section 4233 of the
14 Revised Statutes, as amended (33 U.S.C. 322).

15 (2) the following provision of law relating gen-
16 erally to drawbridge operating regulations: Section 5
17 of the Act of August 18, 1894, as amended (28 Stat.
18 362; 33 U.S.C. 499).

19 (3) the following law relating generally to obstruc-
20 tive bridges: The Act of June 21, 1940, as amended
21 (54 Stat. 497; 33 U.S.C. 511 et seq.).

22 (4) the following laws and provisions of law relat-
23 ing generally to the reasonableness of tolls:

24 (A) Section 4 of the Act of March 23, 1906,
25 as amended (34 Stat. 85; 33 U.S.C. 494).

1 (B) Section 503 of the General Bridge Act of
2 1946, as amended (60 Stat. 847; 33 U.S.C. 526).

3 (C) Section 17 of the Act of June 10, 1930,
4 as amended (46 Stat. 552; 33 U.S.C. 498a).

5 (D) The Act of June 27, 1930, as amended
6 (46 Stat. 821; 33 U.S.C. 498b).

7 (E) The Act of August 21, 1935, as amended
8 (49 Stat. 670; 33 U.S.C. 503 et seq.).

9 (5) the following law relating to prevention of pol-
10 lution of the sea by oil: The Oil Pollution Act, 1961,
11 as amended (75 Stat. 402; 33 U.S.C. 1001 et seq.).

12 (6) the following laws and provision of law to the
13 extent that they relate generally to the location and clear-
14 ances of bridges and causeways in the navigable waters
15 of the United States:

16 (A) Section 9 of the Act of March 3, 1899, as
17 amended (30 Stat. 1151; 33 U.S.C. 401).

18 (B) The Act of March 23, 1906, as amended
19 (34 Stat. 84; 33 U.S.C. 491 et seq.).

20 (C) The General Bridge Act of 1946, as
21 amended (60 Stat. 847; 33 U.S.C. 525 et seq.).

22 (h) Notwithstanding any other provision of this Act,
23 the transfer of functions, powers, and duties to the Secretary
24 or any other officer in the Department shall not include
25 functions vested by the Administrative Procedure Act, as

1 amended '(60 Stat. 237; 5 U.S.C. 1001 et seq.) in hear-
2 ing examiners employed by any department, agency, or com-
3 ponent thereof whose functions are transferred under the pro-
4 visions of this Act.

5 (i) The administration of the Alaska Railroad, estab-
6 lished pursuant to the Act of March 12, 1914, as amended
7 '(38 Stat. 308), and all of the functions authorized to be
8 carried out by the Secretary of the Interior pursuant to
9 Executive Order Numbered 11107, April 25, 1963 (28
10 F.R. 4225), relative to the operation of said Railroad, are
11 hereby transferred to and vested in the Secretary of Trans-
12 portation who shall exercise the same authority with respect
13 thereto as is now exercised by the Secretary of the Interior
14 pursuant to said Executive order.

15 TRANSPORTATION INVESTMENT STANDARDS

16 SEC. 7. (a) The Secretary shall develop and from time
17 to time in the light of experience revise standards and criteria
18 consistent with national transportation policies, for the for-
19 mulation and economic evaluation of all proposals for the in-
20 vestment of Federal funds in transportation facilities or equip-
21 ment, except such proposals as are concerned with (1) the
22 acquisition of transportation facilities or equipment by Fed-
23 eral agencies in providing transportation services for their
24 own use; (2) an interoceanic canal located outside the con-
25 tiguous United States; (3) defense features included at the

1 *direction of the Department of Defense in the design and con-*
2 *struction of civil air, sea, and land transportation; (4) pro-*
3 *grams of foreign assistance; or (5) water resource projects.*
4 *The standards and criteria developed or revised pursuant*
5 *to this subsection shall be promulgated by the Secretary upon*
6 *their approval by the Congress.*

7 *The standards and criteria for economic evaluation of*
8 *water resource projects shall be developed by the Water Re-*
9 *sources Council established by Public Law 89-80. For the*
10 *purpose of such standards and criteria, the primary direct*
11 *navigation benefits of a water resource project are defined as*
12 *the product of the savings to shippers using the waterway and*
13 *the estimated traffic that would use the waterway; where the*
14 *savings to shippers shall be construed to mean the difference*
15 *between (a) the freight rates or charges prevailing at the*
16 *time of the study for the movement by the alternative means*
17 *and (b) those which would be charged on the proposed water-*
18 *way; and where the estimate of traffic that would use the*
19 *waterway will be based on such freight rates, taking into*
20 *account projections of the economic growth of the area.*

21 *The Water Resources Council established under section*
22 *101 of Public Law 89-80 is hereby expanded to include the*
23 *Secretary of Transportation on matters pertaining to naviga-*
24 *tion features of water resource projects.*

25 *(b) Every survey, plan, or report formulated by a Fed-*

1 eral agency which includes a proposal as to which the
 2 Secretary has promulgated standards and criteria pursuant to
 3 subsection (a) shall be (1) prepared in accord with such
 4 standards and criteria and upon the basis of information
 5 furnished by the Secretary with respect to projected growth
 6 of transportation needs and traffic in the affected area, the
 7 relative efficiency of various modes of transport, the available
 8 transportation services in the area, and the general effect of
 9 the proposed investment on existing modes, and on the
 10 regional and national economy; (2) coordinated by the pro-
 11 posing agency with the Secretary and, as appropriate, with
 12 other Federal agencies, States, and local units of government
 13 for inclusion of his and their views and comments; and
 14 (3) transmitted thereafter by the proposing agency to the
 15 President for disposition in accord with law and procedures
 16 established by him.

17 AMENDMENTS TO OTHER LAWS

18 SEC. 8. (a) Section 406(b) of the Federal Aviation
 19 Act of 1958, as amended (72 Stat. 763; 49 U.S.C.
 20 1376(b)), is amended by adding the following sentence at
 21 the end thereof: "In applying clause (3) of this subsection,
 22 the Board shall take into consideration any standards and
 23 criteria prescribed by the Secretary of Transportation, for
 24 determining the character and quality of transportation re-

1 *quired for the commerce of the United States and the na-*
2 *tional defense."*

3 *(b) Section 201 of the Appalachian Regional Develop-*
4 *ment Act of 1965, as amended (79 Stat. 10; 40 U.S.C.*
5 *App. 206) is amended as follows:*

6 *(1) The first sentence of subsection (a) of that section*
7 *is amended by striking the words "Commerce (hereafter in*
8 *this section referred to as the 'Secretary'))" and inserting in*
9 *lieu thereof "Transportation".*

10 *(2) The last sentence of subsection (a) of that section*
11 *is amended by inserting after the word "Secretary", the*
12 *words "of Transportation".*

13 *(3) Subsection (b) of that section is amended by in-*
14 *serting after the word "Secretary", the words "of Com-*
15 *merce".*

16 *(4) Subsection (c) of that section is amended by strik-*
17 *ing the first sentence and inserting in lieu thereof the fol-*
18 *lowing sentence: "Such recommendations as are approved*
19 *by the Secretary of Commerce shall be transmitted to the*
20 *Secretary of Transportation for his approval."*

21 *(5) The second sentence of subsection (c) of that sec-*
22 *tion is amended by inserting after the word "Secretary" the*
23 *words "of Transportation".*

24 *(6) Subsection (e) of that section is amended by in-*

1 serting after the word "Secretary" the words "of Trans-
2 portation".

3 (7) Subsection (f) of that section is amended by in-
4 serting after the word "Secretary", the words "of Com-
5 merce and the Secretary of Transportation". Subsection
6 (f) of that section is further amended by striking the word
7 "determines" and inserting in lieu thereof "determine".

8 (8) Subsection (g) of that section is amended by
9 striking the period at the end thereof and adding the follow-
10 ing: "to the Secretary of Commerce, who shall transfer
11 funds to the Secretary of Transportation for administration
12 of projects approved by both Secretaries."

13 (c) Section 206(c) of the Appalachian Regional De-
14 velopment Act of 1965, as amended (79 Stat. 15; 40
15 U.S.C. App. 206), is amended by inserting after "Interior,"
16 the words "Secretary of Transportation,".

17 (d) Section 212(a) of the Interstate Commerce Act,
18 as amended (49 Stat. 555), is amended by striking "of the
19 Commission" the second, third, and fourth times those words
20 occur.

21 (e) Section 13(b)(1) of the Fair Labor Standards Act
22 of 1938, as amended (52 Stat. 1067), is amended by strik-
23 ing the words "Interstate Commerce Commission" and insert-
24 ing in lieu thereof "Secretary of Transportation."

1 (f) The second sentence of section 3 of the Federal
2 Explosives Act, as amended (40 Stat. 386; 50 U.S.C. 123),
3 is amended to read as follows: "This Act shall not apply
4 to explosives or ingredients which are in transit upon vessels,
5 railroad cars, aircraft, or other conveyances in conformity
6 with statutory law or with the rules and regulations of the
7 Secretary of Transportation."

8 (g)(1) Section 1 of the Act of May 13, 1954, as
9 amended (68 Stat. 92), is further amended as follows: Strike
10 the entire section 1, and insert in lieu thereof the following:

11 "SECTION 1. There is hereby created, subject to the
12 direction and supervision of the Secretary of Transportation,
13 a body corporate to be known as the Saint Lawrence Seaway
14 Development Corporation (hereinafter referred to as the
15 'Corporation')."

16 (2) Notwithstanding any other provision of this Act,
17 the Administrator of the Saint Lawrence Seaway Develop-
18 ment Corporation shall report directly to the Secretary.

19 (h) Section 201 of the Highway Safety Act of 1966
20 (80 Stat. 731) is amended by striking the words "Federal
21 Highway Administrator" and inserting in lieu thereof the
22 words "Director of Public Roads", by striking the word
23 "Agency" wherever it occurs in such section and inserting
24 in lieu thereof the word "Bureau", and by striking "an
25 Administrator" or "Administrator", wherever appearing

1 therein, and inserting in lieu thereof "a Director" or
 2 "Director", respectively.

3 (i) Section 115 of the National Traffic and Motor
 4 Vehicle Safety Act of 1966 (80 Stat. 718) is amended by
 5 striking the word "Agency" wherever it occurs in such section
 6 and inserting in lieu thereof the word "Bureau", and by
 7 striking the word "Administrator" wherever it occurs in
 8 such section and inserting in lieu thereof the word "Director".

9 (j) Section 3(a) of the Marine Resources and Engineer-
 10 ing Development Act of 1966 (80 Stat. 204) is amended
 11 by striking the words "the Treasury" and inserting in lieu
 12 thereof "Transportation".

13 (k) Section 2(e) of the Act of September 22, 1966, Pub-
 14 lic Law 89-599, is amended by striking the words "of Com-
 15 merce" and inserting in lieu thereof the words "of Transpor-
 16 tation".

17 ADMINISTRATIVE PROVISIONS

18 SEC. 9. (a) In addition to the authority contained in
 19 any other Act which is transferred to and vested in the
 20 Secretary, the National Transportation Safety Board, or
 21 any other officer in the Department, the Secretary is author-
 22 ized, subject to the civil service and classification laws, to
 23 select, appoint, employ, and fix the compensation of such
 24 officers and employees, including investigators, attorneys, and
 25 hearing examiners, as are necessary to carry out the pro-

1 visions of this Act and to prescribe their authority and
2 duties.

3 (b) Section 5108(a) of title V of the United States
4 Code, relating to the maximum number of positions author-
5 ized for grades 16, 17, and 18 of the General Schedule
6 is amended by striking out "2,577" and inserting in lieu
7 thereof "2,622".

8 (c) The Secretary may obtain services as authorized
9 by section 3109 of title V of the United States Code, but at
10 rates not to exceed \$100 per diem for individuals unless
11 otherwise specified in an appropriation Act.

12 (d) The Secretary is authorized to provide for partic-
13 ipation of military personnel in carrying out the functions
14 of the Department. Members of the Army, the Navy, the
15 Air Force, or the Marine Corps may be detailed for service
16 in the Department by the appropriate Secretary, pursuant
17 to cooperative agreements with the Secretary of Transporta-
18 tion.

19 (e)(1) Appointment, detail, or assignment to, accept-
20 ance of, and service in any appointive or other position in
21 the Department under the authority of section 9(d) and
22 section 9(q) shall in no way affect status, office, rank, or
23 grade which officers or enlisted men may occupy or hold
24 or any emolument, perquisite, right, privilege, or benefit in-
25 cident to or arising out of any such status, office, rank, or

1 grade, nor shall any member so appointed, detailed, or as-
2 signed be charged against any statutory limitation on grades
3 or strengths applicable to the Armed Forces. A person so
4 appointed, detailed, or assigned shall not be subject to direc-
5 tion by or control by his armed force or any officer thereof
6 directly or indirectly with respect to the responsibilities
7 exercised in the position to which appointed, detailed, or
8 assigned.

9 (2) The Secretary shall report annually in writing to
10 the appropriate committees of the Congress on personnel
11 appointed and agreements entered into under subsection (d)
12 of this section, including the number, rank, and positions of
13 members of the armed services detailed pursuant thereto.

14 (f)(1) In addition to the authority to delegate and redele-
15 gate contained in any other Act in the exercise of the func-
16 tions transferred to or vested in the Secretary in this Act,
17 the Secretary may delegate any of his functions, powers, and
18 duties to such officers and employees of the Department
19 as he may designate, may authorize such successive redele-
20 gations of such functions, powers, and duties as he may deem
21 desirable, and may make such rules and regulations as may
22 be necessary to carry out his functions, powers, and duties.

23 (2) In addition to the authority to delegate and redele-
24 gate contained in any other Act in the exercise of the func-

1 *tions transferred to or specified by this Act to be carried out*
2 *by any officer in the Department, such officer may delegate*
3 *any of such functions, powers, and duties to such other officers*
4 *and employees of the Department as he may designate; may*
5 *authorize such successive redelegations of such functions,*
6 *powers, and duties as he may deem desirable, and may make*
7 *such rules and regulations as may be necessary to carry out*
8 *such functions, powers, and duties.*

9 *(3) The Administrators established by section 3(e) of*
10 *this Act may not delegate any of the statutory duties and*
11 *responsibilities specifically assigned to them by this Act out-*
12 *side of their respective administrations.*

13 *(g) The personnel, assets, liabilities, contracts, prop-*
14 *erty, records, and unexpended balances of appropriations,*
15 *authorizations, allocations, and other funds employed, held,*
16 *used, arising from, available or to be made available, of the*
17 *Federal Aviation Agency, and of the head and other officers*
18 *and offices thereof, are hereby transferred to the Secretary:*
19 *Provided, however, That the personnel, assets, liabilities, con-*
20 *tracts, property, records, and unexpended balances of appro-*
21 *priations, authorizations, and other funds employed in carry-*
22 *ing out the duties and functions transferred by this Act to the*
23 *Secretary which are specified by this Act, to be carried out*
24 *by the Administrator shall be assigned by the Secretary to the*
25 *Administrator for these purposes.*

1 (h) So much of the positions, personnel, assets, liabilities,
2 ties, contracts, property, records, and unexpended balances
3 of appropriations, authorizations, allocations, and other funds
4 employed, held, used, arising from, available or to be made
5 available in connection with the functions, powers, and duties
6 transferred by sections 6 (except section 6(c)) and 8 (d)
7 and (e) of this Act as the Director of the Bureau of the
8 Budget shall determine shall be transferred to the Secretary:
9 Provided, however, That the positions, personnel, assets, liabilities,
10 contracts, property, records, and unexpended balances
11 of appropriations, authorizations, allocations, and other funds
12 employed by the CAB in carrying out the duties transferred
13 by this Act to be exercised by the National Transportation
14 Safety Board shall be transferred to the National Transportation
15 Safety Board: Provided further, That the positions, personnel,
16 assets, liabilities, contracts, property, and unexpended
17 balances of appropriations, authorizations, and other funds
18 employed in carrying out the functions, powers, and duties
19 transferred by this Act to the Secretary which by this Act are
20 transferred to or to be exercised by the Federal Maritime Administrator,
21 or the Maritime Board shall be assigned by the
22 Secretary to the Federal Maritime Administrator or the Maritime Board,
23 as appropriate for these purposes. Except as
24 provided in subsection (i), personnel engaged in these functions,
25 powers, and duties shall be transferred in accordance

1 with applicable laws and regulations relating to transfer of
2 functions.

3 (i) The transfer of personnel pursuant to subsections
4 (g) and (h) of this section shall be without reduction in
5 classification or compensation for one year after such
6 transfer.

7 (j) In any case where all of the functions, powers,
8 and duties of any office or agency, other than the Coast
9 Guard, are transferred pursuant to this Act, such office or
10 agency shall lapse. Any person who, on the effective date
11 of this Act, held a position compensated in accordance with
12 the Federal Executive Salary Schedule, and who, without a
13 break in service, is appointed in the Department to a posi-
14 tion having duties comparable to those performed immedi-
15 ately preceding his appointment shall continue to be com-
16 pensated in his new position at not less than the rate pro-
17 vided for his previous position, for the duration of his service
18 in his new position.

19 (k) The Secretary is authorized to establish a working
20 capital fund, to be available without fiscal year limitation,
21 for expenses necessary for the maintenance and operation of
22 such common administrative services as he shall find to be
23 desirable in the interest of economy and efficiency in the De-
24 partment, including such services as a central supply service
25 for stationery and other supplies and equipment for which

1 adequate stocks may be maintained to meet in whole or in
2 part the requirements of the Department and its agencies;
3 central messenger, mail, telephone, and other communica-
4 tions services; office space, central services for document re-
5 production, and for graphics and visual aids; and a central
6 library service. The capital of the fund shall consist of the
7 fair and reasonable value of such stocks of supplies, equip-
8 ment, and other assets and inventories on order as the Sec-
9 retary may transfer to the fund, less the related liabilities and
10 unpaid obligations, together with any appropriations made
11 for the purpose of providing capital, which appropriations
12 are hereby authorized. Such funds shall be reimbursed in
13 advance from available funds of agencies and offices in the
14 Department, or from other sources, for supplies and services
15 at rates which will approximate the expense of operation,
16 including the accrual of annual leave and the depreciation
17 of equipment. The fund shall also be credited with receipts
18 from sale or exchange of property and receipts in payment
19 for loss or damage to property owned by the fund. The
20 Comptroller General of the United States shall make an an-
21 nual audit of the working capital fund at the end of each
22 fiscal year and there shall be covered into the United States
23 Treasury as miscellaneous receipts any surplus found therein,
24 all assets, liabilities, and prior losses considered, above the
25 amounts transferred or appropriated to establish and main-

1 tain said fund, and the Comptroller General shall report to
2 the Congress annually the results of the audit, together with
3 such recommendations as he may have regarding the status
4 and operations of the fund.

5 (l) The Secretary shall cause a seal of office to be
6 made for the Department of such device as he shall approve,
7 and judicial notice shall be taken of such seal.

8 (m) In addition to the authority contained in any other
9 Act which is transferred to and vested in the Secretary, the
10 National Transportation Safety Board, or other officer in
11 the Department, as necessary, and when not otherwise avail-
12 able, the Secretary is authorized to provide for, construct,
13 or maintain the following for employees and their dependents
14 stationed at remote localities:

15 (1) Emergency medical services and supplies;

16 (2) Food and other subsistence supplies;

17 (3) Messing facilities;

18 (4) Motion picture equipment and film for recrea-
19 tion and training;

20 (5) Reimbursement for food, clothing, medicine,
21 and other supplies furnished by such employees in emer-
22 gencies for the temporary relief of distressed persons;
23 and

24 (6) Living and working quarters and facilities.

25 The furnishing of medical treatment under paragraph (1)

1 *and the furnishing of services and supplies under paragraphs*
2 *(2) and (3) of this subsection shall be at prices reflecting*
3 *reasonable value as determined by the Secretary, and the pro-*
4 *ceeds therefrom shall be credited to the appropriation from*
5 *which the expenditure was made.*

6 *(n)(1) The Secretary is authorized to accept, hold,*
7 *administer, and utilize gifts and bequests of property, both*
8 *real and personal, for the purpose of aiding or facilitating the*
9 *work of the Department. Gifts and bequests of money and*
10 *the proceeds from sales of other property received as gifts*
11 *or bequests shall be deposited in the Treasury in a separate*
12 *fund and shall be disbursed upon order of the Secretary.*
13 *Property accepted pursuant to this paragraph, and the pro-*
14 *ceeds thereof, shall be used as nearly as possible in accord-*
15 *ance with the terms of the gift or bequest.*

16 *(2) For the purpose of Federal income, estate, and gift*
17 *taxes, property accepted under paragraph (1) shall be con-*
18 *sidered as a gift or bequest to or for use of the United*
19 *States.*

20 *(3) Upon the request of the Secretary, the Secretary of*
21 *the Treasury may invest and reinvest in securities of the*
22 *United States or in securities guaranteed as to principal and*
23 *interest by the United States any moneys contained in the*
24 *fund provided for in paragraph (1). Income accruing*
25 *from such securities, and from any other property held by*

1 the Secretary pursuant to paragraph (1) shall be deposited
2 to the credit of the fund, and shall be disbursed upon order
3 of the Secretary.

4 (o)(1) The Secretary is authorized, upon the written
5 request of any person, or any State, territory, possession, or
6 political subdivision thereof, to make special statistical
7 studies relating to foreign and domestic transportation, and
8 other matters falling within the province of the Department,
9 to prepare from its records special statistical compilations,
10 and to furnish transcripts of its studies, tables, and other
11 records upon the payment of the actual cost of such work
12 by the person or body requesting it.

13 (2) All moneys received by the Department in payment
14 of the cost of work under paragraph (1) shall be deposited
15 in a separate account to be administered under the direction
16 of the Secretary. These moneys may be used, in the discre-
17 tion of the Secretary, for the ordinary expenses incidental to
18 the work and/or to secure in connection therewith the special
19 services of persons who are neither officers nor employees of
20 the United States.

21 (p) The Secretary is authorized to appoint, without
22 regard to the civil service laws, such advisory committees
23 as shall be appropriate for the purpose of consultation with
24 and advice to the Department in performance of its functions.
25 Members of such committee, other than those regularly em-

1 *ployed by the Federal Government, while attending meetings*
2 *of such committees or otherwise serving at the request of the*
3 *Secretary, may be paid compensation at rates not exceeding*
4 *those authorized for individuals under subsection (c) of this*
5 *section, and while so serving away from their homes or*
6 *regular places of business, may be allowed travel expenses,*
7 *including per diem in lieu of subsistence, as authorized by*
8 *section 5703 of title V of the United States Code for persons*
9 *in the Government service employed intermittently. Pay-*
10 *ments under this subsection shall not render members of ad-*
11 *visory committees employees or officials of the United States*
12 *for any purpose.*

13 *(q)(1) Notwithstanding any provision of this Act or*
14 *other law, a member of the Coast Guard on active duty may*
15 *be appointed, detailed, or assigned to any position in the*
16 *Department other than Secretary, Under Secretary, and*
17 *Assistant Secretary for Administration.*

18 *(2) Subject to the provisions of title V of the United*
19 *States Code, a retired member of the Coast Guard may be*
20 *appointed to any position in the Department.*

21 *(r)(1) The Secretary is authorized to enter into con-*
22 *tracts with educational institutions, public or private agencies*
23 *or organizations, or persons for the conduct of scientific or*
24 *technological research into any aspect of the problems related*

1 to the programs of the Department which are authorized by
2 statute.

3 (2) The Secretary shall require a showing that the
4 institutions, agencies, organizations, or persons with which
5 he expects to enter into contracts pursuant to this section
6 have the capability of doing effective work. He shall furnish
7 such advice and assistance as he believes will best carry out
8 the mission of the Department, participate in coordinating all
9 research initiated under this section, indicate the lines of
10 inquiry which seem to him most important, and encourage
11 and assist in the establishment and maintenance of coopera-
12 tion by and between the institutions, agencies, organizations,
13 or persons and between them and other research organiza-
14 tions, the Department, and other Federal agencies.

15 (3) The Secretary may from time to time disseminate
16 in the form of reports or publications to public or private
17 agencies or organizations, or individuals such information
18 as he deems desirable on the research carried out pursuant
19 to this section.

20 (4) Nothing contained in this subsection is intended
21 to amend, modify, or repeal any provisions of law ad-

1 ministered by the Department which authorize the making
2 of contracts for research.

3 CONFORMING AMENDMENTS TO OTHER LAWS

4 SEC. 10. (a) Section 19(d)(1) of title 3, United States
5 Code, as amended, is hereby amended by striking out the
6 period at the end thereof and inserting a comma and the
7 following: "Secretary of Transportation."

8 (b) Section 101 of title V of the United States Code is
9 amended by inserting at the end thereof the following:

10 "The Department of Housing and Urban Development.

11 "The Department of Transportation".

12 (c) The amendment made by subsection (b) of this
13 section shall not be construed to make applicable to the
14 Department any provision of law inconsistent with this Act.

15 (d) Subchapter II (relating to executive schedule pay
16 rates) of chapter 53 of title V of the United States Code is
17 amended as follows:

18 (1) Section 5312 is amended by adding at the end there-
19 of the following:

20 "(11) Secretary of Housing and Urban Development.

21 "(12) Secretary of Transportation."

1 (2) Section 5313 is amended by striking out “(7)
2 Administrator of the Federal Aviation Agency” and insert-
3 ing in lieu thereof “(7) Under Secretary of Transportation”,
4 and by adding at the end thereof the following:

5 “(19) Administrator, Federal Aviation Administra-
6 tion.”

7 (3) Section 5314 is amended by adding at the end thereof
8 the following:

9 “(46) Assistant Secretaries of Transportation (4).

10 “(47) Administrator, Federal Highway Administra-
11 tion.

12 “(48) Administrator, Federal Railroad Administration.

13 “(49) Administrator, Federal Maritime Administra-
14 tion.

15 “(50) Chairman, National Transportation Safety
16 Board.”

17 (4) Section 5315 is amended by adding at the end
18 thereof the following:

19 “(78) Members, National Transportation Safety
20 Board.

21 “(79) General Counsel, Department of Transporta-
22 tion.

23 “(80) Deputy Administrator, Federal Aviation Ad-
24 ministration.

1 “(81) Assistant Secretary for Administration, Depart-
2 ment of Transportation.

3 “(82) Director of Public Roads.”

4 (6) Section 5317 is amended by striking out “thirty”
5 and inserting in lieu thereof “thirty-nine”.

6 (7)(A) After section 5317 insert a new section as fol-
7 lows:

8 “§ 5318. Presidential authority to place a position at level

9 III

10 “The President is further authorized to place one posi-
11 tion in level III.”

12 (B) Amend the table of contents at the beginning of
13 chapter 53 by inserting at the end of the material relating
14 to subchapter II the following:

“5318. Presidential authority to place one position in level III.”

15 (e) Subsections 5314(6), 5315(2), and 5316 (12),
16 (13), (14), (76), (82), and (89) of title V of the United
17 States Code are repealed, subject to the provisions of section 9
18 of the Department of Transportation Act.

19 (f) The Act of August 1, 1956, as amended (70 Stat.
20 897; 46 U.S.C. 1241c), is amended by striking the words
21 “Secretary of Commerce” where they appear therein and
22 inserting in lieu thereof “Secretary of Transportation”.

23 (g) Title 18, United States Code, section 1020, as

1 amended, is amended by striking the words "Secretary of
2 Commerce" where they appear therein and inserting in lieu
3 thereof "Secretary of Transportation".

4 (h) Subsection (1) of section 801, title 10, United
5 States Code, as amended, is amended by striking out "the
6 General Counsel of the Department of the Treasury" and
7 inserting in lieu thereof "the General Counsel of the De-
8 partment of Transportation".

9 ANNUAL REPORT

10 SEC. 11. The Secretary shall, as soon as practicable after
11 the end of each fiscal year, make a report in writing to the
12 President for submission to the Congress on the activities of
13 the Department during the preceding fiscal year.

14 SAVINGS PROVISIONS

15 SEC. 12. (a) All orders, determinations, rules, regula-
16 tions, permits, contracts, certificates, licenses, and privi-
17 leges—

18 (1) which have been issued, made, granted, or al-
19 lowed to become effective—

20 (A) under any provision of law amended by
21 this Act, or

22 (B) in the exercise of duties, powers, or func-
23 tions which are transferred under this Act,

24 by (i) any department or agency, any functions of

1 *which are transferred by this Act, or (ii) any court of*
2 *competent jurisdiction, and*

3 (2) *which are in effect at the time this Act takes*
4 *effect,*

5 *shall continue in effect according to their terms until modified,*
6 *terminated, superseded, set aside, or repealed by the Secre-*
7 *tary, Administrators, Board, Maritime Board, or General*
8 *Counsel (in the exercise of any authority respectively vested*
9 *in them by this Act), by any court of competent jurisdiction,*
10 *or by operation of law.*

11 (b) *The provisions of this Act shall not affect any*
12 *proceedings pending at the time this section takes effect be-*
13 *fore any department or agency (or component thereof),*
14 *functions of which are transferred by this Act; but such*
15 *proceedings, to the extent that they relate to functions so*
16 *transferred, shall be continued before the Department. Such*
17 *proceedings, to the extent they do not relate to functions so*
18 *transferred, shall be continued before the department or*
19 *agency before which they were pending at the time of such*
20 *transfer. In either case orders shall be issued in such pro-*
21 *ceedings, appeals shall be taken therefrom, and payments*
22 *shall be made pursuant to such orders, as if this Act had not*
23 *been enacted; and orders issued in any such proceedings shall*
24 *continue in effect until modified, terminated, superseded, or*

1 repealed by the Secretary, Administrators, Board, Maritime
2 Board, or General Counsel (in the exercise of any authority
3 respectively vested in them by this Act), by a court of compé-
4 tent jurisdiction, or by operation of law.

5 (c)(1) Except as provided in paragraph (2)—

6 (A) the provisions of this Act shall not affect suits
7 commenced prior to the date this section takes effect, and

8 (B) in all such suits proceedings shall be had, ap-
9 peals taken, and judgments rendered, in the same man-
10 ner and effect as if this Act had not been enacted.

11 No suit, action, or other proceeding commenced by or against
12 any officer in his official capacity as an officer of any depart-
13 ment or agency, functions of which are transferred by this
14 Act, shall abate by reason of the enactment of this Act.

15 No cause of action by or against any department or agency,
16 functions of which are transferred by this Act, or by or
17 against any officer thereof in his official capacity shall abate
18 by reason of the enactment of this Act. Causes of actions,
19 suits, actions, or other proceedings may be asserted by or
20 against the United States or such official of the Department
21 as may be appropriate and, in any litigation pending when
22 this section takes effect, the court may at any time, on its own
23 motion or that of any party, enter an order which will give
24 effect to the provisions of this subsection.

25 (2) If before the date on which this Act takes effect,

1 any department or agency, or officer thereof in his official
2 capacity, is a party to a suit, and under this Act—

3 (A) such department or agency is transferred to the
4 Secretary, or

5 (B) any function of such department, agency, or
6 officer is transferred to the Secretary,

7 then such suit shall be continued by the Secretary (except in
8 the case of a suit not involving functions transferred to the
9 Secretary, in which case the suit shall be continued by the
10 department, agency, or officer which was a party to the suit
11 prior to the effective date of this Act).

12 (d) With respect to any function, power, or duty trans-
13 ferred by this Act and exercised after the effective date of this
14 Act, reference in any other Federal law to any department
15 or agency, officer or office so transferred or functions of
16 which are so transferred shall be deemed to mean the officer
17 or agency in which this Act vests such function after such
18 transfer.

19 SEPARABILITY

20 SEC. 13. If any provision of this Act or the application
21 thereof to any person or circumstances is held invalid, the
22 remainder of this Act, and the application of such provision
23 to other persons or circumstances shall not be affected
24 thereby.

CODIFICATION

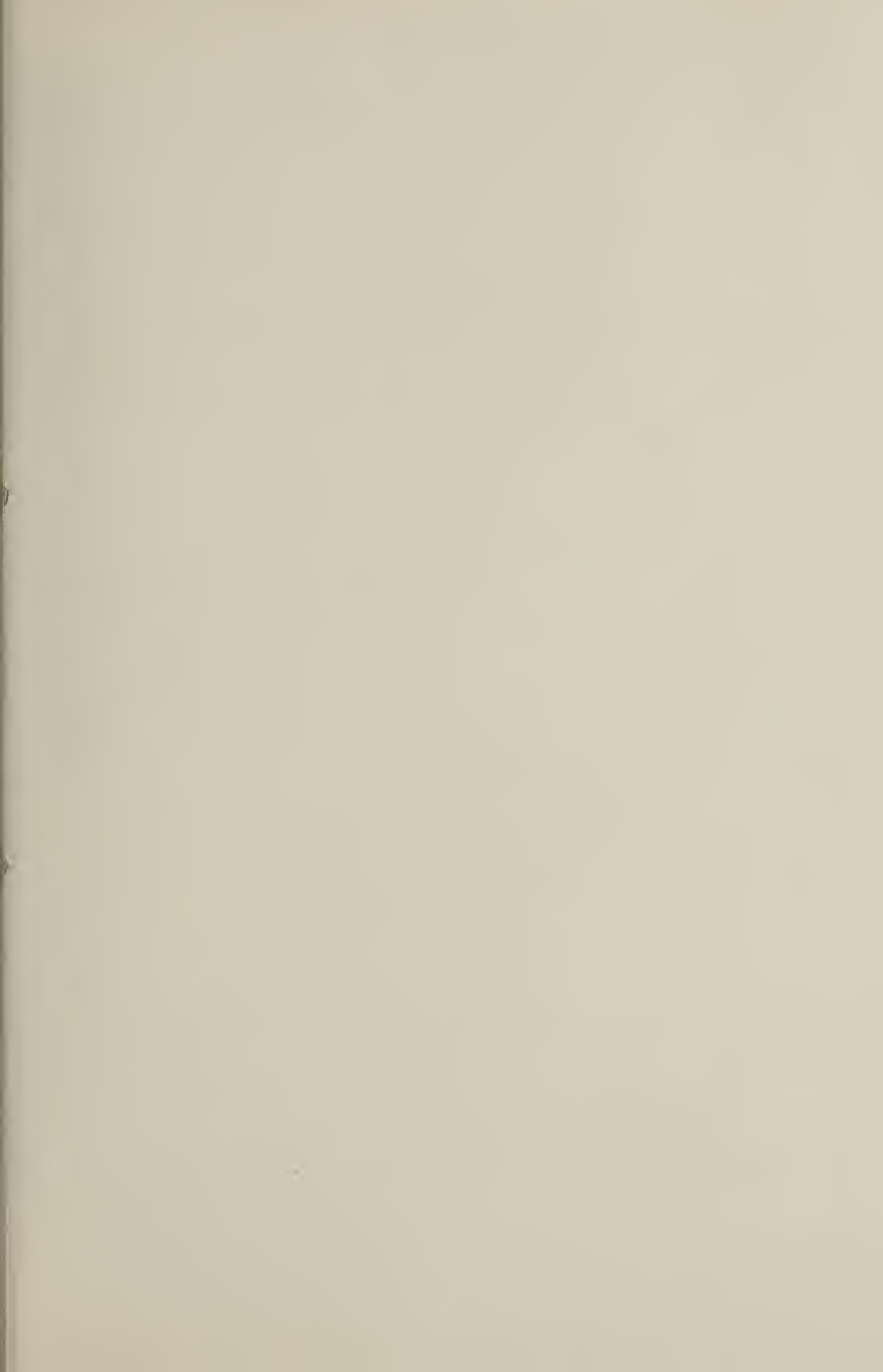
1
2 *SEC. 14. The Secretary is directed to submit to the*
3 *Congress within two years from the effective date of this*
4 *Act, a proposed codification of all laws that contain the*
5 *powers, duties, and functions transferred to or vested in*
6 *the Secretary or the Department by this Act.*

EFFECTIVE DATE; INITIAL APPOINTMENT OF

OFFICERS

7
8
9 *SEC. 15. (a) This Act shall take effect ninety days*
10 *after the Secretary first takes office, or on such prior date*
11 *after enactment of this Act as the President shall prescribe*
12 *and publish in the Federal Register.*

13 *(b) Any of the officers provided for in section 3, 5, or 6*
14 *of this Act may (notwithstanding subsection (a)) be ap-*
15 *pointed in the manner provided for in such sections, at any*
16 *time after the date of enactment of this Act. Such officers*
17 *shall be compensated from the date they first take office, at*
18 *the rates provided for in sections 3, 5, 6, and 10 of this Act.*
19 *Such compensation and related expenses of their offices shall*
20 *be paid from funds available for the functions to be trans-*
21 *ferred to the Department pursuant to this Act.*



A BILL

To establish a Department of Transportation,
and for other purposes.

By Mr. MAGNUSON

MARCH 2, 1966
Read twice and referred to the Committee on
Government Operations

SEPTEMBER 27, 1966
Reported with an amendment

ESTABLISHING A DEPARTMENT OF TRANSPORTATION, AND FOR OTHER PURPOSES

SEPTEMBER 27, 1966.—Ordered to be printed

Mr. McCLELLAN, from the Committee on Government Operations,
submitted the following

R E P O R T

[To accompany H.R. 15963]

The Committee on Government Operations, to which was referred the bill (H.R. 15963), to establish a Department of Transportation, and for other purposes, having considered the same, reports thereon without recommendation.

The committee, in ordering H.R. 15963 reported without recommendation, calls attention to the fact that it has reported favorably S. 3010, the Senate version of this legislation.



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Calendar No. 1628

89TH CONGRESS
2D SESSION

H. R. 15963

[Report No. 1660]

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 1, 1966

Read twice and referred to the Committee on Government Operations

SEPTEMBER 27, 1966

Reported by Mr. McCLELLAN, without recommendation

AN ACT

To establish a Department of Transportation, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Department of Trans-
4 portation Act".

5 DECLARATION OF PURPOSE

6 SEC. 2. The Congress hereby declares that the general
7 welfare, the economic growth and stability of the Nation
8 and its security require the development and implementation
9 of national transportation policies and programs conducive
10 to the provision of fast, safe, efficient, and convenient trans-
11 portation at the lowest cost consistent therewith and with

1 other national objectives, including the efficient utilization
2 and conservation of the Nation's resources.

3 The Congress therefore finds that the establishment of
4 a Department of Transportation is necessary in the public
5 interest and to assure the coordinated, effective administra-
6 tion of the transportation programs of the Federal Govern-
7 ment; to facilitate the development and improvement of
8 coordinated transportation service, to be provided by private
9 enterprise to the maximum extent feasible; to encourage co-
10 operation of Federal, State, and local governments, carriers,
11 labor, and other interested parties toward the achievement
12 of national transportation objectives; to stimulate technologi-
13 cal advances in transportation; to provide general leadership
14 in the identification and solution of transportation problems;
15 and to develop and recommend to the President and Con-
16 gress for approval national transportation policies and pro-
17 grams to accomplish these objectives with full and appro-
18 priate consideration of the needs of the public, users, carriers,
19 industry, labor, and the national defense.

20 ESTABLISHMENT OF DEPARTMENT

21 SEC. 3. (a) There is hereby established at the seat of
22 government an executive department to be known as the
23 Department of Transportation (hereafter referred to in this
24 Act as the "Department"). There shall be at the head of
25 the Department a Secretary of Transportation (hereafter

1 referred to in this Act as the "Secretary"), who shall be
2 appointed by the President, by and with the advice and con-
3 sent of the Senate.

4 (b) There shall be in the Department an Under Secre-
5 tary, who shall be appointed by the President, by and with
6 the advice and consent of the Senate. The Under Secretary
7 (or, during the absence or disability of the Under Secretary,
8 or in the event of a vacancy in the office of Under Secretary,
9 an Assistant Secretary or the General Counsel, determined
10 according to such order as the Secretary shall prescribe)
11 shall act for, and exercise the powers of the Secretary, dur-
12 ing the absence or disability of the Secretary or in the event
13 of a vacancy in the office of Secretary. The Under Secretary
14 shall perform such functions, powers, and duties as the Secre-
15 tary shall prescribe from time to time.

16 (c) There shall be in the Department four Assistant
17 Secretaries and a General Counsel, who shall be appointed
18 by the President, by and with the advice and consent of the
19 Senate, and who shall perform such functions, powers, and
20 duties as the Secretary shall prescribe from time to time.

21 (d) There shall be in the Department an Assistant Sec-
22 retary for Administration, who shall be appointed, with the
23 approval of the President, by the Secretary under the classi-
24 fied civil service who shall perform such functions, powers,
25 and duties as the Secretary shall prescribe from time to time.

1 (e) The Secretary shall establish within the Department
2 (1) a Federal Highway Administration, (2) a Federal
3 Railroad Administration, and (3) a Federal Aviation Ad-
4 ministration. Each of these components shall be headed by
5 an Administrator who shall be appointed by the President,
6 by and with the advice and consent of the Senate, and who
7 shall report directly to the Secretary and shall have such
8 duties and powers as he may prescribe.

9 (f) The Secretary shall establish within the Depart-
10 ment an Office of Accident Investigation, which shall be in-
11 dependent of the Federal Aviation Administration. The
12 office shall, among its duties, investigate aviation accidents
13 in accordance with rules and regulations prescribed by the
14 Secretary.

15 (g) (1) The Secretary shall establish within the De-
16 partment a National Highway Safety Agency which shall
17 exercise the functions, powers, and duties (transferred to
18 the Secretary by section 6 (a) of this Act) which the High-
19 way Safety Act of 1966 provides shall be carried out through
20 the National Highway Safety Agency. The National High-
21 way Safety Agency established under this subsection shall
22 be headed by an Administrator who shall be appointed by
23 the President, by and with the advice and consent of the
24 Senate, and who shall be compensated at the rate provided
25 for level V of the Federal Executive Salary Schedule. The

1 Administrator shall have the qualifications and shall be sub-
2 ject to the limitations prescribed by the Highway Safety Act
3 of 1966.

4 (2) The Secretary shall establish within the Depart-
5 ment a National Highway Safety Advisory Committee com-
6 posed of the Secretary, the Federal Highway Administrator,
7 and twenty-nine members appointed by the President in the
8 manner prescribed by section 404 of title 23, United States
9 Code. Such Committee shall exercise the same functions,
10 powers, and duties as the Highway Safety Act of 1966 pro-
11 vides for the National Highway Safety Advisory Committee.

12 GENERAL PROVISIONS

13 SEC. 4. (a) The Secretary in carrying out the pur-
14 poses of this Act shall, among his responsibilities, exercise
15 leadership under the direction of the President in transpor-
16 tation matters, including those affecting the national defense
17 and those involving national or regional emergencies; de-
18 velop national transportation policies and programs, and
19 make recommendations to the President and Congress for
20 their consideration and implementation; promote and under-
21 take development, collection, and dissemination of technologi-
22 cal, statistical, economic, and other information relevant to
23 domestic and international transportation; gather, maintain
24 and keep the President fully advised of information regarding
25 the status of labor-management contracts and other labor-

1 management problems and assist in promoting industrial
2 harmony and stable employment conditions in all modes of
3 transportation; promote and undertake research and devel-
4 opment relating to transportation, including noise abate-
5 ment, with particular attention to aircraft noise; consult with
6 the heads of other Federal departments and agencies on the
7 transportation requirements of the Government; and consult
8 and cooperate with State and local governments, carriers,
9 labor, and other interested parties, including, when ap-
10 propriate, holding informal public hearings. The Secretary
11 and the Secretary of Housing and Urban Development
12 shall study and report within one year after the effective
13 date of this Act to the President and the Congress on the
14 logical and efficient organization and location of Urban Mass
15 Transportation functions in the Executive Branch.

16 (b) In exercising the functions, powers, and duties
17 conferred on and transferred to the Secretary by this Act,
18 the Secretary shall give full consideration to the need for
19 operational continuity of the functions transferred, to the
20 need for effectiveness and safety in transportation systems,
21 and to the needs of the national defense.

22 (c) Orders and actions of the Secretary or the Na-
23 tional Transportation Safety Board (established by section 5
24 of this Act) in the exercise of functions, powers, and duties
25 transferred under this Act shall be subject to judicial review

1 to the same extent and in the same manner as if such orders
2 and actions had been by the department or agency exercising
3 such functions, powers, and duties immediately preceding
4 their transfer. Any statutory requirements relating to
5 notice, hearings, action upon the record, or administrative
6 review that apply to any function transferred by this Act
7 shall apply to the exercise of such functions by the Secretary
8 or the National Transportation Safety Board.

9 (d) In the exercise of the functions, powers, and duties
10 transferred under this Act, the Secretary shall have the same
11 authority as that vested in the department or agency exercis-
12 ing such functions, powers, and duties immediately preced-
13 ing their transfer, and his actions in exercising such func-
14 tions, powers, and duties shall have the same force and effect
15 as when exercised by such department or agency.

16 (e) Nothing in this Act shall be construed to authorize,
17 without appropriate action by Congress, the adoption or
18 revision of a national transportation policy.

19 NATIONAL TRANSPORTATION SAFETY BOARD

20 SEC. 5. (a) There is hereby established within the De-
21 partment a National Transportation Safety Board (referred
22 to hereafter in this Act as "Board").

23 (b) There are hereby transferred to, and it shall be
24 the duty of the Board to exercise, the functions, powers, and

1 duties transferred to the Secretary by sections 6 and 8 of this
2 Act with regard to—

3 (1) determining the cause or probable cause of
4 transportation accidents and reporting the facts, condi-
5 tions, and circumstances relating to such accidents; and

6 (2) the review on appeal of the suspension, amend-
7 ment, modification, revocation, or denial of any certifi-
8 cate or license issued by the Secretary.

9 (c) The Board is further authorized to—

10 (1) make such recommendations to the Secretary
11 as, in its opinion, will tend to prevent transportation
12 accidents;

13 (2) conduct special studies on matters pertaining
14 to safety in transportation and the prevention of
15 accidents;

16 (3) insure that in cases in which it is required to
17 determine cause or probable cause, reports of investiga-
18 tion adequately state the circumstances of the accident
19 involved. Where additional information is needed, the
20 Board may require the Secretary to conduct further
21 investigations or to take such other measures as are
22 required in the opinion of the Board to insure develop-
23 ment of all facts and circumstances surrounding the
24 accident;

25 (4) make recommendations to the Secretary con-

cerning policies, programs, and procedures for transportation safety, and rules, regulations, and procedures for the conduct of accident investigations;

(5) require the Secretary to initiate specific accident investigations as the Board determines to be necessary or appropriate;

(6) arrange for the personal participation of members or other personnel of the Board in accident investigations conducted by the Department in such cases as it deems appropriate; and

(7) require from the Secretary notification of transportation accidents and reports of such accidents as the Board deems necessary.

(d) Except as otherwise provided by statute, the Board shall make public all reports, orders, decisions, rules, and regulations issued pursuant to sections 5 (b) (1) and 5 (b) (2) ; and the Board shall also make public—

(1) every recommendation made to the Secretary,

(2) every special study conducted, and

(3) every action of the Board requiring the Secretary to take action

pursuant to section 5 (c) (1), (2), (3), (4), (5), or (7).

(e) In the exercise of any of its functions, powers, and duties, the Board shall be independent of the Secretary

1 and the other offices and officers of the Department, and shall
2 give full consideration to the requirements imposed on the
3 Secretary by section 4 (b) of this Act.

4 (f) The Board shall report to the Congress annually
5 on the conduct of its functions under this Act and the effec-
6 tiveness of accident investigations in the Department,
7 together with such recommendations for legislation as it
8 may deem appropriate.

9 (g) The Board shall consist of five members to be
10 appointed by the President, by and with the advice and con-
11 sent of the Senate. No more than three members of the
12 Board shall be of the same political party. Members of the
13 Board shall be appointed with due regard to their fitness for
14 the efficient dispatch of the functions, powers, and duties
15 vested in and imposed upon the Board, and may be removed
16 by the President for inefficiency, neglect of duty, or mal-
17 feasance in office.

18 (h) Members of the Board shall be appointed for
19 terms of five years, except that (1) any member appointed
20 to fill a vacancy occurring prior to the expiration of the term
21 for which his predecessor was appointed shall be appointed
22 only for the remainder of such term, and (2) the five mem-
23 bers first appointed shall serve for terms (designated by the
24 President at the time of appointment) ending on the last day
25 of the first, second, third, fourth, and fifth calendar years be-

1 ginning after the year of enactment of this Act. Upon the
2 expiration of his term of office a member shall continue to
3 serve until his successor is appointed and shall have qualified.

4 (i) The President shall designate from time to time
5 one of the members of the Board as Chairman and one of
6 the members as Vice Chairman, who shall act as Chairman
7 in the absence or incapacity of the Chairman, or in the event
8 of a vacancy in the office of the Chairman. The Chairman
9 shall be the chief executive and administrative officer of the
10 Board and shall exercise the responsibility of the Board with
11 respect to (1) the appointment and supervision of personnel
12 employed by the Board; (2) the distribution of business
13 among the Board's personnel; and (3) the use and expendi-
14 ture of funds. In executing and administering the functions
15 of the Board on its behalf, the Chairman shall be governed
16 by the general policies of the Board and by its decisions,
17 findings, and determinations. Three of the members shall
18 constitute a quorum of the Board.

19 (j) The Chairman of the Board shall be compensated
20 at the rate provided for level IV of the Federal Executive
21 Salary Schedule. Members of the Board shall be compen-
22 sated at the rate provided for level V of such Schedule.

23 (k) The Board is authorized to establish such rules,
24 regulations, and procedures as are necessary to the exercise
25 of its functions.

1 (l) In carrying out its functions, the Board (or,
2 upon the authorization of the Board, any member thereof or
3 any hearing examiner assigned to or employed by the Board)
4 shall have the same powers as are vested in the Secretary to
5 hold hearings, sign and issue subpoenas, administer oaths,
6 examine witnesses, and receive evidence at any place in the
7 United States it may designate.

8 (m) Subject to the proviso in section 701 (g) of the
9 Federal Aviation Act of 1958 (72 Stat. 782; 49 U.S.C.
10 1441 (g)), the Board may delegate to any officer or official
11 of the Board or, with the approval of the Secretary, to any
12 officer or official of the Department such of its functions as
13 it may deem appropriate.

14 (n) Subject to the civil service and classification laws,
15 the Board is authorized to select, appoint, employ, and
16 fix compensation of such officers and employees, including at-
17 torneys and hearing examiners, as shall be necessary to carry
18 out its powers and duties under this Act.

19 (o) The Board is authorized, on a reimbursable basis
20 when appropriate, to use the available services, equipment,
21 personnel, and facilities of the Department and of other
22 civilian or military agencies and instrumentalities of the
23 Federal Government, and to cooperate with the Department
24 and such other agencies and instrumentalities in the estab-
25 lishment and use of services, equipment, and facilities of the

1 Board. The Board is further authorized to confer with and
2 avail itself of the cooperation, services, records, and facilities
3 of State, territorial, municipal, or other local agencies.

4 TRANSFERS TO DEPARTMENT

5 SEC. 6. (a) There are hereby transferred to and vested
6 in the Secretary all functions, powers, and duties of the
7 Secretary of Commerce and other offices and officers of the
8 Department of Commerce under—

9 (1) the following laws and provisions of law re-
10 lating generally to highways:

11 (A) Title 23, United States Code.

12 (B) The Federal-Aid Highway Act of 1962
13 (76 Stat. 1145, 23 U.S.C. 307 note).

14 (C) The Act of July 14, 1960 (74 Stat. 526,
15 23 U.S.C. 313 note).

16 (D) The Federal-Aid Highway Act of 1954
17 (68 Stat. 70).

18 (E) The Act of September 26, 1961 (75 Stat.
19 670).

20 (F) The Highway Revenue Act of 1956 (70
21 Stat. 387, 23 U.S.C. 120 note).

22 (G) The Highway Beautification Act of 1965
23 (79 Stat. 1028, 23 U.S.C. 131 et seq. notes).

24 (H) The Alaska Omnibus Act (73 Stat. 141,
25 48 U.S.C. 21 note prec.).

1 (I) The Joint Resolution of August 28, 1965
2 (79 Stat. 578, 23 U.S.C. 101 et seq. notes) .

3 (J) Section 525 (c) of the General Bridge Act
4 of 1946 (60 Stat. 847, 33 U.S.C. 525 (c)) .

5 (K) The Act of April 27, 1962 (76 Stat. 59) .

6 (L) Reorganization Plan No. 7 of 1949 (63
7 Stat. 1070, 5 U.S.C. 133z-15 note) .

8 (M) The Federal-Aid Highway Act of 1966.

9 (2) the following laws and provisions of law relat-
10 ing generally to ground transportation:

11 (A) The Act of September 30, 1965 (79 Stat.
12 893, 49 U.S.C. 1631 et seq.) .

13 (B) Section 8 of the Urban Mass Transporta-
14 tion Act of 1964 (78 Stat. 306, 49 U.S.C. 1607) .

15 (3) the following laws and provisions of law relat-
16 ing generally to aircraft:

17 (A) The Act of September 7, 1957 (71 Stat.
18 629, 49 U.S.C. 1324 note) .

19 (B) Section 410 of the Federal Aviation Act of
20 1958 (72 Stat. 769, 49 U.S.C. 1380) .

21 (C) Title XIII of the Federal Aviation Act of
22 1958 (72 Stat. 800, 49 U.S.C. 1531 et seq.) .

23 (4) the following law relating generally to pilotage:

1 The Great Lakes Pilotage Act of 1960 (74 Stat. 259,
2 46 U.S.C. 216 et seq.).

3 (5) the following law relating to highway safety:
4 The Highway Safety Act of 1966.

5 (6) the following law to the extent it authorizes
6 scientific and professional positions which relate pri-
7 marily to functions transferred by this subsection: The
8 Act of August 1, 1947 (61 Stat. 715, 5 U.S.C. 1161).

9 (b) (1) The Coast Guard is hereby transferred to the
10 Department, and there are hereby transferred to and vested
11 in the Secretary all functions, powers, and duties, relating
12 to the Coast Guard, of the Secretary of the Treasury and of
13 other officers and offices of the Department of the Treasury.
14 The Commandant of the Coast Guard shall also report
15 directly to the Secretary.

16 (2) Notwithstanding the transfer of the Coast Guard
17 to the Department and the transfer to the Secretary of the
18 functions, powers, and duties, relating to the Coast Guard,
19 of the Secretary of the Treasury and of other officers and
20 offices of the Department of the Treasury, effected by the
21 provisions of paragraph (1) of this subsection, the Coast
22 Guard, together with the functions, powers, and duties
23 relating thereto, shall operate as a part of the Navy, subject

1 to the orders of the Secretary of the Navy, in time of war
2 or when the President shall so direct, as provided in section
3 3 of title 14, United States Code.

4 (3) Notwithstanding any other provision of this Act,
5 the functions, powers, and duties of the General Counsel of
6 the Department of the Treasury set out in chapter 47 of
7 title 10, United States Code (Uniform Code of Military
8 Justice) are hereby transferred to and vested in the General
9 Counsel of the Department.

10 (c) (1) There are hereby transferred to and vested in
11 the Secretary all functions, powers, and duties of the Federal
12 Aviation Agency, and of the Administrator and other officers
13 and offices thereof.

14 (2) Nothing in this Act shall affect the power of the
15 President under section 302 (c) of the Federal Aviation Act
16 of 1958 (72 Stat. 746, 49 U.S.C. 1343 (c)) to transfer, to
17 the Department of Defense in the event of war, any func-
18 tions transferred by this Act from the Federal Aviation
19 Agency to the Secretary.

20 (d) There are hereby transferred to and vested in the
21 Secretary all functions, powers, and duties of the Civil Aero-
22 nautics Board, and of the Chairman, members, officers, and
23 offices thereof under the following provisions of law relating
24 generally to aviation safety: Titles VI and VII of the Fed-

1 eral Aviation Act of 1958 (72 Stat. 775, 49 U.S.C. 1421
2 et seq.) .

3 (e) There are hereby transferred to and vested in the
4 Secretary all functions, powers, and duties of the Interstate
5 Commerce Commission, and of the Chairman, members,
6 officers, and offices thereof, under—

7 (1) the following laws relating generally to safety
8 appliances and equipment on railroad engines and cars,
9 and protection of employees and travelers:

10 (A) The Act of March 2, 1893 (27 Stat. 531,
11 45 U.S.C. 1 et seq.) .

12 (B) The Act of March 2, 1903 (32 Stat. 943,
13 45 U.S.C. 8 et seq.) .

14 (C) The Act of April 14, 1910 (36 Stat. 298,
15 45 U.S.C. 11 et seq.) .

16 (D) The Act of May 30, 1908 (35 Stat. 476,
17 45 U.S.C. 17 et seq.) .

18 (E) The Act of February 17, 1911 (36 Stat.
19 913, 45 U.S.C. 22 et seq.) .

20 (F) The Act of March 4, 1915 (38 Stat.
21 1192, 45 U.S.C. 30) .

22 (G) Reorganization Plan No. 3 of 1965 (79
23 Stat. 1320) .

1 (H) Joint Resolution of June 30, 1906 (34
2 Stat. 838, 45 U.S.C. 35).

3 (I) The Act of May 27, 1908 (35 Stat. 325,
4 45 U.S.C. 36 et seq.).

5 (J) The Act of March 4, 1909 (35 Stat. 965,
6 45 U.S.C. 37).

7 (K) The Act of May 6, 1910 (36 Stat. 350,
8 45 U.S.C. 38 et seq.).

9 (2) the following law relating generally to hours of
10 service of employees: The Act of March 4, 1907 (34
11 Stat. 1415, 45 U.S.C. 61 et seq.).

12 (3) the following law relating generally to medals
13 for heroism: The Act of February 23, 1905 (33 Stat.
14 743, 49 U.S.C. 1201 et seq.).

15 (4) the following provisions of law relating gen-
16 erally to explosives and other dangerous articles: Sec-
17 tions 831-835 of title 18, United States Code.

18 (5) the following laws relating generally to stand-
19 ard time zones and daylight saving time:

20 (A) The Act of March 19, 1918 (40 Stat.
21 450, 15 U.S.C. 261 et seq.).

22 (B) The Act of March 4, 1921 (41 Stat.
23 1446, 15 U.S.C. 265).

24 (C) The Uniform Time Act of 1966 (80
25 Stat. 107).

1 (6) the following provisions of the Interstate Com-
2 merce Act—

3 (A) relating generally to safety appliances
4 methods and systems: Section 25 (49 U.S.C. 26).

5 (B) relating generally to investigation of motor
6 vehicle sizes, weights and service of employees: Sec-
7 tion 226 (49 U.S.C. 325).

8 (C) relating generally to qualifications and
9 maximum hours of service of employees and safety
10 of operation and equipment: Sections 204 (a) (1)
11 and (2), to the extent that they relate to qualifica-
12 tions and maximum hours of service of employees
13 and safety of operation and equipment; and sections
14 204 (a) (3), (3a), and (5) (49 U.S.C. 304).

15 (D) to the extent they relate to private car-
16 riers of property by motor vehicle and carriers of
17 migrant workers by motor vehicle other than con-
18 tract carriers: Sections 221 (a), 221 (c), and 224
19 (49 U.S.C. 321 et seq.).

20 (f) (1) Nothing in subsection (e) shall diminish the
21 functions, powers, and duties of the Interstate Commerce
22 Commission under sections 1 (6), 206, 207, 209, 210a, 212,
23 and 216 of the Interstate Commerce Act (49 U.S.C. 1 (6),
24 306 et seq.) or under any other section of that Act not
25 specifically referred to in subsection (e).

1 (2) (A) With respect to any function which is trans-
2 ferred to the Secretary by subsection (e) and which was
3 vested in the Interstate Commerce Commission preceding
4 such transfer, the Secretary shall have the same adminis-
5 trative powers under the Interstate Commerce Act as the
6 Commission had before such transfer with respect to such
7 transferred function. After such transfer, the Commission
8 may exercise its administrative powers under the Interstate
9 Commerce Act only with respect to those of its functions
10 not transferred by subsection (e).

11 (B) For purposes of this paragraph—

12 (i) the term “function” includes power and duty,
13 and

14 (ii) the term “administrative powers under the
15 Interstate Commerce Act” means any functions under
16 the following provisions of the Interstate Commerce Act:
17 Sections 12, 13 (1), 13 (2), 14, 16 (12), the last sen-
18 tence of 18 (1), sections 20 (except clauses (3), (4),
19 (11), and (12) thereof), 204 (a) (6) and (7), 204
20 (c), 204 (d), 205 (d), 205 (f), 220 (except subsection
21 (c) and the proviso of subsection (a) thereof), 222
22 (except subsections (b) (2) and (b) (3) thereof), and
23 417 (b) (1) (49 U.S.C. 12 et seq., 304 et seq., and
24 1017).

25 (g) There are hereby transferred to and vested in the

1 Secretary all functions, powers, and duties of the Secretary
2 of the Army and other officers and offices of the Department
3 of the Army under—

4 (1) the following law and provisions of law relating
5 generally to water vessel anchorages:

6 (A) Section 7 of the Act of March 4, 1915 (38
7 Stat. 1053; 33 U.S.C. 471).

8 (B) Article 11 of section 1 of the Act of June
9 7, 1897 (30 Stat. 98; 33 U.S.C. 180).

10 (C) Rule 9 of section 1 of the Act of February
11 8, 1895 (28 Stat. 647; 33 U.S.C. 258).

12 (D) Rule numbered 13 of section 4233 of the
13 Revised Statutes (33 U.S.C. 322).

14 (2) the following provision of law relating gen-
15 erally to drawbridge operating regulations: Section 5
16 of the Act of August 18, 1894 (28 Stat. 362; 33 U.S.C.
17 499).

18 (3) the following law relating generally to obstruc-
19 tive bridges: The Act of June 21, 1940 (54 Stat. 497;
20 33 U.S.C. 511 et seq.).

21 (4) the following laws and provisions of law relat-
22 ing generally to the reasonableness of tolls:

23 (A) Section 4 of the Act of March 23, 1906
24 (34 Stat. 85; 33 U.S.C. 494).

1 (B) Section 503 of the General Bridge Act of
2 1946 (60 Stat. 847; 33 U.S.C. 526).

3 (C) Section 17 of the Act of June 10, 1930
4 (46 Stat. 552; 33 U.S.C. 498a).

5 (D) The Act of June 27, 1930 (46 Stat. 821;
6 33 U.S.C. 498b).

7 (E) The Act of August 21, 1935 (49 Stat.
8 670; 33 U.S.C. 503 et seq.).

9 (5) the following law relating to prevention of pol-
10 lution of the sea by oil: The Oil Pollution Act, 1961
11 (75 Stat. 402; 33 U.S.C. 1001 et seq.).

12 (6) the following laws and provision of law to the
13 extent that they relate generally to the location and clear-
14 ances of bridges and causeways in the navigable waters
15 of the United States:

16 (A) Section 9 of the Act of March 3, 1899 (30
17 Stat. 1151; 33 U.S.C. 401).

18 (B) The Act of March 23, 1906 (34 Stat. 84;
19 33 U.S.C. 491 et seq.).

20 (C) The General Bridge Act of 1946 (60 Stat.
21 847; 33 U.S.C. 525 et seq.).

22 (h) Notwithstanding any other provision of this Act,
23 the transfer of functions, powers, and duties to the Secretary
24 shall not include functions vested by the Administrative Pro-
25 cedure Act (60 Stat. 237; 5 U.S.C. 1001 et seq.) in hear-

1 ing examiners employed by any agency or component
2 thereof whose functions are transferred under the provisions
3 of this Act.

4 AMENDMENTS TO OTHER LAWS

5 SEC. 7. (a) Section 406 (b) of the Federal Aviation
6 Act of 1958 (72 Stat. 763, 49 U.S.C. 1376 (b)), is amended
7 by adding the following sentence at the end thereof: "In
8 applying clause (3) of this subsection, the Board shall take
9 into consideration any standards and criteria prescribed by
10 the Secretary of Transportation, for determining the character
11 and quality of transportation required for the commerce of
12 the United States and the national defense."

13 (b) Section 201 of the Appalachian Regional Develop-
14 ment Act of 1965 (79 Stat. 10, 40 U.S.C. App. 201) is
15 amended as follows:

16 (1) The first sentence of subsection (a) of that section
17 is amended by striking out "Commerce (hereafter in this
18 section referred to as the 'Secretary')" and inserting in
19 lieu thereof "Transportation".

20 (2) The last sentence of subsection (a) of that section
21 is amended by inserting "of Transportation" after "Secre-
22 tary".

23 (3) Subsection (b) of that section is amended by in-
24 serting "of Commerce" after "Secretary".

25 (4) Subsection (c) of that section is amended by strik-

1 ing out the first sentence and inserting in lieu thereof the fol-
2 lowing: "Such recommendations as are approved by the
3 Secretary of Commerce shall be transmitted to the Secretary
4 of Transportation for his approval."

5 (5) The second sentence of subsection (c) of that sec-
6 tion is amended by inserting "of Transportation" after "Sec-
7 retary".

8 (6) Subsection (e) of that section is amended by in-
9 serting "of Transportation" after "Secretary".

10 (7) Subsection (f) of that section is amended by strik-
11 ing out "Secretary determines", and inserting in lieu thereof
12 "Secretary of Commerce and the Secretary of Transportation
13 determine".

14 (8) Subsection (g) of that section is amended by in-
15 serting before the period at the end thereof the following:
16 "to the Secretary of Commerce, who shall transfer funds to
17 the Secretary of Transportation for administration of projects
18 approved by both Secretaries".

19 (c) Section 206 (c) of the Appalachian Regional De-
20 velopment Act of 1965 (79 Stat. 15, 40 U.S.C. App.
21 206 (c)) is amended by inserting "Secretary of Transporta-
22 tion," after "Interior,".

23 (d) Section 212 (a) of the Interstate Commerce Act
24 (49 Stat. 555, 49 U.S.C. 312 (a)) is amended by striking

1 out "of the Commission" the second, third, and fourth times
2 those words occur.

3 (e) Section 13 (b) (1) of the Fair Labor Standards
4 Act of 1938 (52 Stat. 1067, 29 U.S.C. 213 (b) (1)) is
5 amended by striking out "Interstate Commerce Commis-
6 sion" and inserting in lieu thereof "Secretary of Transporta-
7 tion".

8 (f) The second sentence of section 3 of the Federal
9 Explosives Act (40 Stat. 386, 50 U.S.C. 123) is amended
10 to read as follows: "This Act shall not apply to explosives
11 or ingredients which are in transit upon vessels, railroad
12 cars, aircraft, or other conveyances in conformity with statu-
13 tory law or with the rules and regulations of the Secretary
14 of Transportation."

15 ADMINISTRATIVE PROVISIONS

16 SEC. 8. (a) In addition to the authority contained in
17 any other Act which is transferred to and vested in the
18 Secretary, the Secretary is authorized, subject to the civil
19 service and classification laws, to select, appoint, employ,
20 and fix the compensation of such officers and employees, in-
21 cluding attorneys, as are necessary to carry out the pro-
22 visions of this Act and to prescribe their authority and
23 duties.

24 (b) (1) Notwithstanding any provision of this Act

1 or other law, a member of the Coast Guard on active duty
2 may be appointed, detailed, or assigned to any position in
3 the Department other than Secretary, Under Secretary, and
4 Assistant Secretary for Administration.

5 (2) Subject to the civil service laws, the Classification
6 Act of 1949, and the Dual Compensation Act of 1964, a
7 retired member of the Coast Guard may be appointed to
8 any position in the Department.

9 (c) The Secretary may obtain services as authorized
10 by section 15 of the Administrative Expenses Act of 1946
11 (60 Stat. 810, 5 U.S.C. 55a), but at rates not to exceed
12 \$100 per diem for individuals unless otherwise specified in
13 an appropriation Act.

14 (d) The Secretary is authorized to provide for par-
15 ticipation of military personnel in carrying out his func-
16 tions. Members of the Army, the Navy, the Air Force, or
17 the Marine Corps may be detailed for service in the Depart-
18 ment by the appropriate Secretary, pursuant to cooperative
19 agreements with the Secretary of Transportation.

20 (e) (1) Appointment, detail, or assignment to, accept-
21 ance of, and service in any appointive or other position in the
22 Department under the authority of subsection (b) (1) or sub-
23 section (d) shall in no way affect status, office, rank, or
24 grade which officers or enlisted men may occupy or hold, or
25 any emolument, perquisite, right, privilege, or benefit, inci-

1 dent to or arising out of any such status, office, rank, or grade
2 nor shall any member so appointed, detailed, or assigned be
3 charged against any statutory limitation on grades or
4 strengths applicable to the armed forces. A person so ap-
5 pointed, detailed, or assigned shall not be subject to direction
6 by or control by his armed force or any officer thereof di-
7 rectly or indirectly with respect to the responsibilities exer-
8 cised in the position to which appointed, detailed, or
9 assigned.

10 (2) The Secretary shall report annually in writing to
11 the Congress on personnel appointed and agreements en-
12 tered into under subsection (d) of this section, including
13 the number, rank, and positions of members of the armed
14 services detailed pursuant thereto.

15 (f) In addition to the authority to delegate and redele-
16 gate contained in any other Act, in the exercise of the func-
17 tions transferred to or vested in the Secretary in this Act,
18 the Secretary may delegate any of his functions, powers, and
19 duties to such officers and employees of the Department
20 as he may designate, may authorize such successive redele-
21 gations of such functions, powers, and duties as he may deem
22 desirable, and may make such rules and regulations as may
23 be necessary to carry out his functions, powers, and duties.

24 (g) The personnel, assets, liabilities, contracts, prop-
25 erty, records, and unexpended balances of appropriations,

1 authorizations, allocations, and other funds employed, held,
2 used, arising from, available or to be made available, of the
3 Federal Aviation Agency, and of the head and other officers
4 and offices thereof, are hereby transferred to the Secretary.

5 (h) So much of the positions, assets, liabilities, con-
6 tracts, property, records, and unexpended balances of ap-
7 propriations, authorizations, allocations, and other funds
8 employed, held, used, arising from, available or to be made
9 available in connection with the functions, powers, and duties
10 transferred by sections 6 (except section 6 (c)), 7 (d) , and
11 7 (e) of this Act as the Director of the Bureau of the Budget
12 shall determine shall be transferred to the Secretary. Ex-
13 cept as provided in subsection (i) , personnel engaged in
14 these functions, powers, and duties shall be transferred in
15 accordance with applicable laws and regulations relating
16 to transfer of functions.

17 (i) The transfer of personnel pursuant to subsections
18 (g) and (h) of this section shall be without reduction in
19 classification or compensation for one year after such
20 transfer.

21 (j) (1) In any case where all of the functions, powers,
22 and duties of any office or agency, other than the Coast
23 Guard, are transferred pursuant to this Act, such office or
24 agency shall lapse. Any person who, on the effective date
25 of this Act, held a position compensated in accordance with

1 the Federal Executive Salary Schedule, and who, without a
2 break in service, is appointed in the Department to a posi-
3 tion having duties comparable to those performed immedi-
4 ately preceding his appointment shall continue to be com-
5 pensated in his new position at not less than the rate pro-
6 vided for his previous position, for the duration of his service
7 in his new position.

8 (2) The office of Federal Highway Administrator,
9 created by section 303 of title 23, United States Code, is
10 hereby transferred to and continued within the Department
11 under the title Director of Public Roads. The Director shall
12 be the operating head of the Bureau of Public Roads, or any
13 other agency created within the Department to carry out the
14 primary functions carried out on the effective date of this
15 Act by the Bureau of Public Roads, and he shall be compen-
16 sated at the rate prescribed for level IV of the Federal
17 Executive Salary Schedule.

18 (k) The Secretary is authorized to establish a working
19 capital fund, to be available without fiscal year limitation,
20 for expenses necessary for the maintenance and operation of
21 such common administrative services as he shall find to be
22 desirable in the interest of economy and efficiency in the De-
23 partment, including such services as a central supply service
24 for stationery and other supplies and equipment for which
25 adequate stocks may be maintained to meet in whole or in

1 part the requirements of the Department and its agencies;
2 central messenger, mail, telephone, and other communica-
3 tions services; office space, central services for document re-
4 production, and for graphics and visual aids; and a central
5 library service. The capital of the fund shall consist of any
6 appropriations made for the purpose of providing capital
7 (which appropriations are hereby authorized) and the fair
8 and reasonable value of such stocks of supplies, equipment,
9 and other assets and inventories on order as the Secretary
10 may transfer to the fund, less the related liabilities and
11 unpaid obligations. Such funds shall be reimbursed from
12 available funds of agencies and offices in the Department,
13 or from other sources, for supplies and services at rates which
14 will approximate the expense of operation, including the ac-
15 crual of annual leave and the depreciation of equipment.
16 The fund shall also be credited with receipts from sale or
17 exchange of property and receipts in payment for loss or
18 damage to property owned by the fund.

19 (l) The Secretary shall cause a seal of office to be
20 made for the Department, and judicial notice shall be taken
21 of such seal.

22 (m) In addition to the authority contained in any other
23 Act which is transferred to and vested in the Secretary, and
24 as necessary and when not otherwise available, the Secretary
25 is authorized to provide for, construct, or maintain the fol-

1 lowing for employees and their dependents stationed at re-
2 mote localities:

3 (1) Emergency medical services and supplies;

4 (2) Food and other subsistence supplies;

5 (3) Messing facilities;

6 (4) Motion picture equipment and film for recrea-
7 tion and training;

8 (5) Reimbursement for food, clothing, medicine,
9 and other supplies furnished by such employees in emer-
10 gencies for the temporary relief of distressed persons;
11 and

12 (6) Living and working quarters and facilities.

13 The furnishing of medical treatment under paragraph (1)
14 and the furnishing of services and supplies under para-
15 graphs (2) and (3) of this subsection shall be at prices
16 reflecting reasonable value as determined by the Secretary,
17 and the proceeds therefrom shall be credited to the appro-
18 priation from which the expenditure was made.

19 (n) (1) The Secretary is authorized to accept, hold, ad-
20 minister, and utilize gifts and bequests of property, both real
21 and personal, for the purpose of aiding or facilitating the
22 work of the Department. Gifts and bequests of money and
23 the proceeds from sales of other property received as gifts or
24 bequests shall be deposited in the Treasury in a separate fund
25 and shall be disbursed upon order of the Secretary of Trans-

1 portation. Property accepted pursuant to this paragraph,
2 and the proceeds thereof, shall be used as nearly as possible in
3 accordance with the terms of the gift or bequest.

4 (2) For the purpose of Federal income, estate, and gift
5 taxes, property accepted under paragraph (1) shall be con-
6 sidered as a gift or bequest to or for use of the United States.

7 (3) Upon the request of the Secretary, the Secretary of
8 the Treasury may invest and reinvest in securities of the
9 United States or in securities guaranteed as to principal and
10 interest by the United States any moneys contained in the
11 fund provided for in paragraph (1). Income accruing from
12 such securities, and from any other property held by the
13 Secretary pursuant to paragraph (1), shall be deposited to
14 the credit of such fund, and shall be disbursed upon order
15 of the Secretary of Transportation.

16 (o) (1) The Secretary is authorized, upon the written
17 request of any person, or any State, territory, possession, or
18 political subdivision thereof to make special statistical studies
19 relating to foreign and domestic transportation, and special
20 statistical studies relating to other matters falling within the
21 province of the Department, to prepare from its records
22 special statistical compilations, and to furnish transcripts of
23 its studies, tables, and other records upon the payment of
24 the actual cost of such work by the person or body re-
25 questing it.

1 (2) All moneys received by the Department in pay-
2 ment of the cost of work under paragraph (1) shall be
3 deposited in a special account to be administered under
4 the direction of the Secretary. These moneys may be used,
5 in the discretion of the Secretary, and notwithstanding any
6 other provisions of law, for the ordinary expenses incidental
7 to the work and/or to secure in connection therewith the
8 special services of persons who are neither officers nor em-
9 ployees of the United States.

10 (p) The Secretary is authorized to appoint, without
11 regard to the civil service laws, such advisory committees as
12 shall be appropriate for the purpose of consultation with and
13 advice to the Department in performance of its functions.
14 Members of such committees, other than those regularly em-
15 ployed by the Federal Government, while attending meet-
16 ings of such committees or otherwise serving at the request
17 of the Secretary, may be paid compensation at rates not
18 exceeding those authorized for individuals under subsection
19 (c) of this section, and while so serving away from their
20 homes or regular places of business, they may be allowed
21 travel expenses, including per diem in lieu of subsistence, as
22 authorized by section 5 of the Administrative Expenses Act
23 of 1946 (5 U.S.C. 73b-2) for persons in the Government
24 service employed intermittently.

1 CONFORMING AMENDMENTS TO OTHER LAWS

2 SEC. 9. (a) Section 19 (d) (1) of title 3, United
3 States Code, is hereby amended by inserting before the period
4 at the end thereof the following: “, Secretary of Trans-
5 portation”.

6 (b) Section 158 of the Revised Statutes (5 U.S.C. 1)
7 is amended by adding at the end thereof:

8 “Twelfth. The Department of Transportation.”

9 (c) The amendment made by subsection (b) of this
10 section shall not be construed to make applicable to the
11 Department any provision of law inconsistent with this Act.

12 (d) Section 303 of the Federal Executive Salary Act
13 of 1964 (78 Stat. 416, 5 U.S.C. 2211) is amended as
14 follows:

15 (1) Subsection (a) of that section is amended by add-
16 ing at the end thereof the following:

17 “(11) Secretary of Housing and Urban Develop-
18 ment.

19 “(12) Secretary of Transportation.”

20 (2) Subsection (c) of that section is amended by strik-
21 ing out “(6) Under Secretary of Commerce for Transporta-
22 tion” and inserting in lieu thereof “(6) Under Secretary of
23 Transportation”.

1 (3) Subsection (d) of that section is amended by add-
2 ing at the end thereof the following:

3 “(70) Assistant Secretaries, Department of Trans-
4 portation, (4). ”

5 “(71) General Counsel, Department of Trans-
6 portation.

7 “(72) Chairman, National Transportation Safety
8 Board, Department of Transportation.”

9 (4) Subsection (e) of that section is amended by adding
10 at the end thereof the following:

11 “(101) Assistant Secretary for Administration, De-
12 partment of Transportation.

13 “(102) Members, National Transportation Safety
14 Board, Department of Transportation (4).”

15 (5) Subsection (f) of that section is amended by strik-
16 ing out “thirty” and inserting in lieu thereof “thirty-nine”.

17 (6) That section is further amended by adding at the
18 end thereof the following new subsection:

19 “(h) The President is further authorized to place one
20 position in level III.”

21 (e) Subsections (b) (7), (d) (2), and (e) (12),
22 (13), (14), (76), and (82) of section 303 of the Federal

1 Executive Salary Act of 1964 (78 Stat. 416, 5 U.S.C.
2 2211) are repealed.

3 (f) Section 1020 of title 18, United States Code, is
4 amended by striking out "Secretary of Commerce" wherever
5 it appears therein and inserting in lieu thereof "Secretary of
6 Transportation".

7 (g) Subsection (1) of section 801 of title 10, United
8 States Code, is amended by striking out "the General Coun-
9 sel of the Department of the Treasury" and inserting in lieu
10 thereof "the General Counsel of the Department of Trans-
11 portation".

12 ANNUAL REPORT

13 SEC. 10. The Secretary shall, as soon as practicable after
14 the end of each fiscal year, make a report in writing to the
15 President for submission to the Congress on the activities of
16 the Department during the preceding fiscal year.

17 SAVINGS PROVISIONS

18 SEC. 11. (a) All orders, determinations, rules, regula-
19 tions, permits, contracts, certificates, licenses, and privi-
20 leges—

21 (1) which have been issued, made, granted, or al-
22 lowed to become effective—

23 (A) under any provision of law amended by
24 this Act, or

1 (B) in the exercise of duties, powers, or func-
2 tions which are transferred under this Act,

3 by (i) any department or agency, any functions of
4 which are transferred by this Act, or (ii) any court of
5 competent jurisdiction, and

6 (2) which are in effect at the time this Act takes
7 effect,

8 shall continue in effect according to their terms until modified,
9 terminated, superseded, set aside, or repealed by the Secre-
10 tary, Board, or General Counsel (in the exercise of any
11 authority respectively vested in them by this Act), by any
12 court of competent jurisdiction, or by operation of law.

13 (b) The provisions of this Act shall not affect any
14 proceedings pending at the time this section takes effect be-
15 fore any department or agency (or component thereof),
16 functions of which are transferred by this Act; but such
17 proceedings, to the extent that they relate to functions so
18 transferred, shall be continued before the Department. Such
19 proceedings, to the extent they do not relate to functions so
20 transferred, shall be continued before the department or
21 agency before which they were pending at the time of such
22 transfer. In either case orders shall be issued in such pro-
23 ceedings, appeals shall be taken therefrom, and payments
24 shall be made pursuant to such orders, as if this Act had not

1 been enacted; and orders issued in any such proceedings shall
2 continue in effect until modified, terminated, superseded, or
3 repealed by the Secretary, Board, or General Counsel (in
4 the exercise of any authority respectively vested in them by
5 this Act), by a court of competent jurisdiction, or by opera-
6 tion of law.

7 (c) (1) Except as provided in paragraph (2) —

8 (A) the provisions of this Act shall not affect suits
9 commenced prior to the date this section takes effect, and

10 (B) in all such suits proceedings shall be had, ap-
11 peals taken, and judgments rendered, in the same man-
12 ner and effect as if this Act had not been enacted.

13 No suit, action, or other proceeding commenced by or against
14 any officer in his official capacity of any department or
15 agency, functions of which are transferred by this Act, shall
16 abate by reason of the enactment of this Act. No cause of
17 action by or against any department or agency, functions of
18 which are transferred by this Act, or by or against any
19 officer thereof in his official capacity shall abate by reason of
20 the enactment of this Act. Causes of actions, suits, actions
21 or other proceedings may be asserted by or against the
22 United States or such official of the Department as may be
23 appropriate and, in any litigation pending when this section
24 takes effect, the court may at any time, on its own motion or

1 that of any party, enter an order which will give effect to the
2 provisions of this subsection.

3 (2) If before the date on which this Act takes effect,
4 any department or agency, or officer thereof in his official
5 capacity, is a party to a suit, and under this Act—

6 (A) such department or agency is transferred to the
7 Secretary, or

8 (B) any function of such department, agency, or
9 officer is transferred to the Secretary,
10 then such suit shall be continued by the Secretary (except in
11 the case of a suit not involving functions transferred to the
12 Secretary, in which case the suit shall be continued by the
13 department, agency, or officer which was a party to the suit
14 prior to the effective date of this Act).

15 (d) With respect to any function, power, or duty trans-
16 ferred by this Act and exercised after the effective date of this
17 Act, reference in any other Federal law to any department
18 or agency, officer or office so transferred or functions of which
19 are so transferred shall be deemed to mean the officer or
20 agency in which this Act vests such function after such
21 transfer.

22 SEPARABILITY

23 SEC. 12. If any provision of this Act or the application
24 thereof to any person or circumstances is held invalid, the

1 remainder of this Act, and the application of such provision
2 to other persons or circumstances shall not be affected
3 thereby.

4 CODIFICATION

5 SEC. 13. The Secretary shall propose to the Congress
6 within two years from the effective date of this Act, a codi-
7 fication of all laws that contain the powers, duties, and func-
8 tions transferred to or vested in the Secretary or the Depart-
9 ment by this Act.

10 EFFECTIVE DATE; INITIAL APPOINTMENT OF
11 OFFICERS

12 SEC. 14. (a) This Act shall take effect ninety days
13 after the Secretary first takes office, or on such prior date
14 after enactment of this Act as the President shall prescribe
15 and publish in the Federal Register.

16 (b) Any of the officers provided for in sections 3 or 5
17 of this Act may (notwithstanding subsection (a)) be ap-
18 pointed in the manner provided for in such sections, at any
19 time after the date of enactment of this Act. Such officers
20 shall be compensated from the date they first take office, at
21 the rates provided for in sections 5 and 10 of this Act.
22 Such compensation and related expenses of their offices shall

- 1 be paid from funds available for the functions to be trans-
2 ferred to the Department pursuant to this Act.

Passed the House of Representatives August 30, 1966.

Attest:

RALPH R. ROBERTS,

Clerk.

Calendar No. 1628

89TH CONGRESS
2^D SESSION

H. R. 15963

[Report No. 1660]

AN ACT

To establish a Department of Transportation,
and for other purposes.

SEPTEMBER 1, 1966

Read twice and referred to the Committee on
Government Operations

SEPTEMBER 27, 1966

Reported without recommendation

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D. C. 20250
OFFICIAL BUSINESS

POSTAGE AND FEES PAID
U. S. DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

Issued Sept. 30, 1966
For actions of Sept. 29, 1966
89th-2nd; No. 165

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HIGHLIGHTS: House passed poverty bill. Senate committee reported poverty bill.

HOUSE

1. POVERTY. Passed, 210-156, with amendments H. R. 15111, to continue and change various programs under the Economic Opportunity Act. pp. 23451-528, 23532, 23540, 23544, 23549-50, 23561-2
2. FARM PRICES. Rep. Findley claimed the Government is trying to "drive down farm prices...below parity." p. 23539
Rep. Ashbrook said Under Secretary Schnittker had said the Department's policy is aimed at parity income for adequate-size farms but not necessarily small farms, and the Congressman objected to this policy. pp. 23542-3

3. TAXATION. Rep. Langen spoke in favor of the amendment to partially exempt farmers from the proposed investment-credit suspension. p. 23541
4. WATERSHEDS. Received reports on various proposed watershed projects from the Budget Bureau; to Agriculture and Public Works Committees. p. 23567
5. HEALTH; PERSONNEL. Received from HEW a proposed bill to authorize the Public Health Service to provide medical services to Federal employees on a reimbursable basis at remote locations where other medical treatment and care is not available; to Interstate and Foreign Commerce Committee. p. 23567
6. SEA-GRANT COLLEGES. Received the conference report on H. R. 16559, to authorize sea-grant colleges for education and research in marine resources (H. Rept. 2156). p. 23568
7. FOREIGN TRADE; WAGE-PRICE GUIDEPOSTS. A subcommittee of the Government Operations Committee approved for full committee action reports on "Strengthening Wage-Price Guideposts" and "Market Promotion Activity of Foreign Agricultural Service (Second Review)." p. D933
8. LEGISLATIVE PROGRAM. Rep. Boggs said the House hopes to consider today the investment-credit, atomic-energy, and water-pollution bills. pp. 23528-9

SENATE

9. POVERTY. The Labor and Public Welfare Committee reported with amendment S. 3164, to continue and change various programs under the Economic Opportunity Act (S. Rept. 1666) (p. 23381). This bill was made the unfinished business (p. 23449).
10. HEALTH. The Labor and Welfare Committee reported with amendments S. 3008, to amend the Public Health Service Act to promote and assist in extension and improvement of comprehensive health planning and public health services (S. Rept. 1665). p. 23381
11. FOREIGN TRADE. Sen. Mondale spoke on the importance of trade negotiations with the European Economic Community, from the standpoint of agriculture and industry, and asked continued efforts to reduce trade barriers with Europe. pp. 23411-3
12. ELECTRIFICATION; SALT WATER. Passed without amendment S. 3807, to authorize the Atomic Energy Commission to enter into a cooperative arrangement for a large-scale combination nuclear-power and water-desalting project. pp. 23416-7
13. TRANSPORTATION. Passed, 64-2, with amendments H. R. 15963, to create a Department of Transportation. S. 3010, a companion, was indefinitely postponed. pp. 23417-47
14. DEFENSE APPROPRIATION BILL. Rejected the conference report on this bill, H. R. 15941, and acted on various amendments in disagreement. p. 23447
15. CONGRESSIONAL REORGANIZATION. Sen. Mansfield announced, with concurrence of Sen. Dirksen, that it is not intended to take up the Monroney-Madden congressional reorganization bill during this session. He expressed hope that the bill will be "one of the very first orders of business when the Senate reconvenes again next January." p. 23448

electricity. Thus, this project represents a logical continuation of the national effort—which the Joint Committee and Congress have supported for two decades—to secure the full benefits of the peaceful atom.

This project should be of particular value in that it would afford an opportunity for demonstrating the effectiveness of nuclear technology in helping to solve one of mankind's oldest and most pressing problems—how to secure an ample supply of fresh water. Studies have indicated that utilization of nuclear power can result in very significant reductions in the cost of energy needed for large-scale desalting applications. Since the cost of energy represents such a large percentage of the cost of desalted water, nuclear power holds forth bright promise for those seeking to solve this age-old problem. The demonstration of this application of nuclear technology, in a large dual purpose facility producing substantial quantities of both electricity and fresh water, would be of vast significance in this country and throughout the world.

As Senators may know, over 50 percent of the new electric-generating capacity in this country announced this year consisted of nuclear powerplants. The speed with which nuclear technology has been developed for electric-power-production purposes has surprised many observers. There is no question in my mind that this achievement could not have been made but for the assistance provided by the Government in demonstrating this new technology through the construction of nuclear plants.

In recommending authorization for a dual purpose nuclear power-desalting project, the Joint Committee is following the time tested route used in developing nuclear reactors for the generation of electric power alone. The AEC and industry need to acquire a firm technological understanding of the effective coupling of a nuclear powerplant with large-scale process applications—initially with desalting plants—and to accumulate concrete data on the economic implications of dual process systems. The AEC has a base research and development program under which it is investigating the effects of coupling nuclear systems producing two or more marketable products. This proposed cooperative project would, however, by virtue of the actual design, construction and operation of a dual purpose system, provide vital information which simply cannot be obtained by paper studies and laboratory tests.

There is another very significant aspect of this project which warrants the AEC's support. I refer to the siting problems, including the geological and seismic considerations, which are involved in building and operating this facility. The present plan is that the facility would be located on a man-made island situated off the coast south of Los Angeles, Calif. The island would consist of about 45 acres of usable surface area, and would be connected to the mainland by a causeway. The island concept of siting powerplants and other installations offers a number of interesting new

possibilities. In view of the increasing difficulty in securing acceptable sites for powerplants, successful resolution of the problems of island siting would provide needed flexibility from a variety of standpoints.

To recapitulate, our committee believes that the atomic energy program would benefit markedly through participation by the AEC in this cooperative venture. Much work has already been done to put this complicated project together. The degree of cooperation among the varying interests—including publicly and privately owned utilities and other bodies, and governmental organizations—is most impressive to me. The problems of this Nation are becoming so complex that, to an increasing degree, this type of cooperation will be essential for us to survive.

I also wish to take particular note of the great contributions that have been made by far-sighted legislators—including particularly the distinguished chairman of the Joint Committee, CHET HOLIFIELD—in helping to make this project a reality.

Our committee realizes that, assuming this project receives full congressional authorization, much intensive work lies ahead for the participants before definitive contracts can be signed to proceed with the work. However, the evidence presented to our committee indicates that the parties will continue to collaborate effectively.

Mr. President, I reiterate that S. 3807 has received the undivided support of the Joint Committee on Atomic Energy, and I urge the Senate to pass this bill today.

Mr. President, as the title indicates, this is an authorization which was reported without objection by the Joint Committee on Atomic Energy. I have discussed it personally with the ranking Republican member on the Senate side of the aisle, the Senator from Iowa [Mr. HICKENLOOPER], and he has no objection to the bill being passed today.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendments to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 3807

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Public Law 89-428 is hereby amended by adding a new section as follows:

"SEC. 108. LARGE-SCALE COMBINATION NUCLEAR POWER-DESALTING PROJECT.—The Commission is hereby authorized to enter into a cooperative arrangement, in association with the Department of the Interior, with the Metropolitan Water District of Southern California, with privately, publicly, or cooperatively owned utilities, or others, for participation in a large-scale nuclear power-desalting project involving the development, design, construction, and operation of a desalting plant, back pressure turbine, and a nuclear powerplant or plants that will also be utilized for the generation of electric energy, in accordance with the basis for an arrangement described in the program justification data submitted by the Commission in sup-

port of this authorization for fiscal year 1967 without regard to the provisions of section 169 of the Atomic Energy Act of 1954, as amended: *Provided further*, That appropriations in the amount of \$15,000,000 are hereby authorized for the Commission's participation in this project; and the Commission's cooperative assistance shall pertain to the dual-purpose aspects of the project; the siting and related design of the plants; and the coupling of the desalting plant with the back pressure turbine and the nuclear powerplants; or to other aspects of the project pertaining to interrelationship of nuclear power and desalting."

DEPARTMENT OF TRANSPORTATION ACT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the unfinished business.

The PRESIDING OFFICER. The bill will be stated by title.

The ASSISTANT LEGISLATIVE CLERK. A bill (S. 3010) to establish a Department of Transportation, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that on the pending business there be a time allocation of one-half hour on each amendment to be controlled by the mover and the Senator from Arkansas [Mr. McCLELLAN] and 3 hours on the bill, the time to be controlled by the Senator from Arkansas [Mr. McCLELLAN] and the Senator from Washington [Mr. JACKSON] on the one side, and by the Senator from South Dakota [Mr. MUNDT] on the other.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

Mr. McCLELLAN. Mr. President, when the Government Operations Committee opened hearings on S. 3010 I stated that we would study this bill—that we would examine it carefully—and try to do a constructive job of revising and improving it. I fully realized that to do this would take time, perhaps a long time. The committee had this measure under active consideration for the better part of 6 months. We examined and considered this bill in detail, and the fact that the committee has largely accomplished what it undertook is attested to by the unanimous vote cast by the committee in ordering the bill favorably reported.

In all candor, however, the committee could well have used still more time in

which to study all facets of the problems presented in the establishment and organizing of a department of this magnitude and complexity.

There is, however, general agreement that a Department of Transportation is needed, and indications are that this need will only intensify in the months and years ahead. So while the committee would liked to have had additional time in which to work on this measure, we concluded, in view of the action taken by the House, that we would get the bill out at this session. Accordingly, we labored diligently to get the best possible bill under those circumstances. We could not and did not, resolve each and every issue presented by this ambitious and complicated proposal in the time we had available. It is anticipated that revisions and additional work will have to be done in future sessions of Congress and that there will be need for reorganizations within this Department.

Mr. President, the committee held 9 days of hearings on S. 3010, receiving testimony from 58 witnesses representing the executive branch, independent regulatory agencies, industry, labor, and the public. In addition, 36 exhibits and 50 statements and communications were incorporated into the hearing record which runs to 4 volumes. Since those hearings were concluded, seven executive sessions were held on this bill in addition to several informal conferences.

President Johnson, in his message on transportation stated:

America today lacks a coordinated transportation system that permits travelers and goods to move conveniently and efficiently from one means of transportation to another, using the best characteristics of each.

It was the purpose of the Committee on Government Operations to determine if a Department of Transportation could be organized and established to meet that need. We sought to determine if a reshuffling of Government agencies and a transfer of power and programs would facilitate the realization of a coordinated transportation system. We were also interested in finding out if such a Department would promote economy and efficiency in the Government, and whether it could be so structured as to promote safety in public transportation on the highways, in the air, and on the sea.

I believe that the enactment of the bill as recommended by our committee will help us attain these goals.

The committee received and analyzed several hundred suggested changes and amendments, many of which proved meritorious. Indeed, we finally adopted so many amendments that it was necessary to report the bill with an amendment in the nature of a substitute.

The amended bill will centralize in one new Cabinet-level Department the responsibility for leadership in the development, direction, and coordination of the principal transportation policies, functions, and operations of the Federal Government. These activities are currently being carried on by almost 100,000 Federal employees in a dozen different departments, independent regulatory agencies and elements thereof, and involve annual expenditures of \$6 billion.

The bill will provide a focal point of responsibility within the Federal Government for all modes of transportation safety. And finally, the bill will provide a locus of responsibility that the Congress can look to for making legislative, budgetary, and other recommendations designed to improve our transportation system.

All of the major transportation agencies and functions of the Federal Government would be transferred to the Department of Transportation, except the economic regulatory functions of the Interstate Commerce Commission, the Civil Aeronautics Board, the Federal Maritime Commission, and the Federal Power Commission. The bill would also transfer to the Secretary, the modal Administrators and a newly created National Transportation Safety Board, transportation safety responsibilities which are now vested in agencies throughout the Government.

AGENCIES AND FUNCTIONS TRANSFERRED TO THE NEW DEPARTMENT

S. 3010, as amended, would transfer to the new Department the following agencies and functions:

First. The Federal Aviation Agency, in its entirety, along with all of its functions.

Second. The Bureau of Public Roads, Department of Commerce, together with the Federal-aid highway program which it administers, as well as its numerous other highway activities.

Third. The Office of the Under Secretary of Commerce for Transportation, together with all of the transportation functions now vested in the Secretary of Commerce and other officers and offices of the Department of Commerce under various statutes.

Fourth. The Federal Maritime Administration, Department of Commerce, with its operating and construction-differential subsidy programs for the United States Merchant Marine and shipping industry.

Fifth. The U.S. Coast Guard, Department of the Treasury, whose principal peacetime activities relate to transportation and marine safety.

Sixth. The Great Lakes Pilotage Administration, Department of Commerce.

Seventh. The safety functions of the Civil Aeronautics Board.

Eighth. Those functions of the Secretary of the Army, performed by the Corps of Engineers, which relate to anchorages, bridges and tolls.

Ninth. St. Lawrence Seaway Development Corporation.

Tenth. The Alaska Railroad, now under the direction and supervision of the Secretary of the Interior.

Eleventh. The functions, powers, and duties vested in the Secretary of Commerce by the National Traffic and Motor Vehicle Act of 1966 and the Highway Safety Act of 1966.

Twelfth. Railroad and motor carriers safety laws, along with several miscellaneous functions from the Interstate Commerce Commission.

ORGANIZATION OF THE DEPARTMENT

The proposed Department would be headed by a Secretary of Transporta-

tion, an Under Secretary, four Assistant Secretaries, a General Counsel, and an Assistant Secretary for Administration. The principal operating agencies within the Department would be a Federal Aviation Administration, a Federal Highway Administration, a Federal Maritime Administration, a Federal Railroad Administration, and the U.S. Coast Guard. Each of these operating agencies would be headed by an Administrator, except for the Coast Guard which would continue to be headed by the Commandant. All of these principal officers, including the modal Administrators and a Deputy Administrator in the case of aviation, would be appointed by the President, subject to Senate confirmation.

The bill further establishes within the Department an independent, bipartisan National Transportation Safety Board, composed of five presidentially appointed members with tenure, subject to Senate approval.

The bill would also establish within the Department an independent, bipartisan Maritime Board, composed of the Federal Maritime Administrator, as Chairman, and two other members, appointed by the President, subject to Senate confirmation, to handle maritime subsidy matters involving quasi-judicial decisions.

ASSIGNMENT AND PERFORMANCE OF TRANSFERRED FUNCTIONS

In general, all of the functions, powers and duties now vested in the transferred agencies, or in those from which such functions have been transferred, would be transferred to and vested in the Secretary of Transportation. However, the amended bill provides for further distribution of some of these functions by assigning them to the operating modal units, the National Transportation Safety Board, or the Maritime Board. The purpose of this arrangement was to vest in the Secretary the general administration and promotional functions, powers, and responsibilities incident to the operation of the Department, while the actual performance of some of these functions, especially those requiring expertise in the area of safety, are assigned to appropriate units within the Department.

By vesting sole authority for safety matters in trained experts—as proposed by this bill—the committee believes that any possible semblance of political influence will be eliminated. At the same time, this arrangement will allow the Secretary to devote his major efforts to the numerous other responsibilities attendant to the organization and operation of a Cabinet-level Department.

TRANSPORTATION INVESTMENT STANDARDS

As introduced, section 7(a) of S. 3010 placed upon the Secretary of Transportation the responsibility of developing and revising standards and criteria consistent with national transportation policies, for the formulation and economic evaluation of all proposals for the investment of Federal funds in transportation facilities or equipment. It then exempted four specific types of proposals for Federal investment from the stand-

ards and criteria to be established by the Secretary. The committee amended this to add water resource projects as a fifth type of proposal for Federal investment to the other four that are excluded from the criteria to be established by the Secretary of Transportation.

This is necessary since navigation is a major function of any total concept of water resource development and, therefore, other phases of water resource development should not be influenced by standards and criteria established for application to problems related solely to transportation.

The committee amendment also provides that standards and criteria developed or revised pursuant to this subsection shall not be promulgated by the Secretary until they are approved by the Congress instead of the President, as originally proposed.

This is intended to retain within the Congress its constitutional authority to regulate commerce among the several States. A blanket delegation of such widespread authority to the executive branch of the Government is considered unwise. The section, as revised, would place on the Secretary of Transportation the responsibility of developing the standards and criteria but would retain in the Congress the final responsibility for their approval—thereby maintaining the checks and balances contemplated by the framers of the Constitution.

The amendment would continue the authority of the Water Resources Council to establish standards and criteria for the evaluation of water resources projects where it was placed by the Congress just last year when the Council was established by section 101 of Public Law 89-80.

A definition of primary navigation benefits is also contained in the amendment. This is necessary to insure that future projects will be evaluated on the same basis that has resulted in the development of our truly great system of inland navigation that has served this Nation so well in peace and war. In November of 1964, the Corps of Engineers, under policy guidance of the Bureau of the Budget, issued new criteria for the evaluation of navigation projects. Not a single proposed waterway has met the test of these new criteria. The Bureau of the Budget finally recognized the difficulty of applying the criteria set forth in the directive of November 1964, and has just recently stated that they will be reversed. But the much needed expansion of our network of inland waterways is far too important to the national welfare to be subjected to the conceptual manipulations of the Bureau of the Budget. This is a matter within the proper purview of Congress, and my amendment to section 7 returns this prerogative to the legislative branch.

In this connection, it is important to note that the corps' experience with the development of commerce on major existing waterways has shown that the former method of evaluating navigation benefits which my amendment reinstates has resulted in ultra-conservative estimates of traffic growth.

Finally, section 7, as amended, expands the membership on the Water Resources Council to include the new Secretary of Transportation on matters pertaining to navigation features of water resource projects. The expansion of the Water Resources Council to include the Secretary of Transportation on these matters is consistent with the intent of section 101 of Public Law 89-80, which established the Council.

In conclusion, Mr. President, we need to review and restructure the organization of our Government wherever and whenever necessary if we are to move forward with the flow of progress. Federal programs and expenditures must be fully coordinated, and adequate provisions must be made for the development and implementation of new policies. That there is a critical need to do this now in the field of transportation is clearly demonstrated, and appropriate action should be taken by Congress to achieve that end.

The creation of a Cabinet-level Department represents the highest form of Government reorganization. It is not a proposal to be lightly undertaken.

If our transportation system is to meet the needs of today and the demands of tomorrow, we must focus our efforts and attention at the Federal level in a Cabinet Department, as proposed by this legislation.

America is a nation on the move and we need the very best transportation system possible for our people and our goods. Your committee believes that the organizational structure for the new Department proposed in this bill will facilitate the Federal Government's contribution toward the realization of that goal.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. McCLELLAN. I am happy to yield to the Senator from Vermont.

Mr. AIKEN. Does the Senator feel that if this bill is approved by Congress and becomes law, it will again become possible to make progress in waterway improvement and development?

Mr. McCLELLAN. I believe so, with the amendment that the committee adopted—an amendment which I sponsored—which places the criteria for determining the benefits on the basis of comparison with presently existing rates for transportation by competing facilities, rather than what the rates might be after the navigation project was completed, and rates began to come down to meet its competition.

Mr. AIKEN. Of course, the formula or the policy in effect at the present time—

Mr. McCLELLAN. For the last 2 years.

Mr. AIKEN. Yes; for the last 2 years. That policy appears to give the railroads the power to block every single waterway improvement.

Mr. McCLELLAN. I think they do have that power, under the present policy.

Mr. AIKEN. I think they have done it, too.

Mr. McCLELLAN. They probably have done so, and I think it is wrong.

If we are to compare benefits in order to justify an improvement, the proper way is to compare them with existing conditions, not what the conditions will be after the competition has been established, and that competition begins to work against the competitors.

Mr. AIKEN. It certainly has been possible to block waterway developments, or even modest improvements in waterways, simply by the railroads making a promise—which might be expected at some times and places, but ought not to be permitted under Government policies—which they do not keep.

Mr. McCLELLAN. Yes. I point out another vast improvement which I think we have made in this bill: Under the original bill, as presented by the administration, the Secretary of the Department would formulate policies and submit them to the President, and then could initiate them and put them into effect.

Under the bill, as reported by the committee, the Secretary can take the leadership—in fact, he is directed to take the leadership—in formulating policy. But they have to come to Congress for approval before the policies can be put into effect.

Thus, particularly as to the waterways, we have dual protection. I think that is the way it should be. I think that is the only way to maintain checks and balances, if Congress is to perform its function of establishing policy by law.

Mr. AIKEN. I have noticed, in some of the studies that have been made of proposed waterway improvements, that the report and the study seem to be based on existing business along an unimproved waterway, without giving full consideration to the expansion of business which would occur along that route if the waterway were improved.

Mr. McCLELLAN. The formula set forth in this bill requires that that be considered.

Mr. AIKEN. Does the Senator think that would be an important consideration?

Mr. McCLELLAN. Well, we are going to make it the law, if we pass this bill.

Mr. AIKEN. That is one good thing about the bill, anyway, if it does what the Senator says it does.

Mr. McCLELLAN. It is intended to do that. I think everyone is satisfied that it would. We worked on this; we did not just take it for granted. The provisions of this bill, if I may say so, embody the views of the chairman, because I am vitally interested in the progress of the development of our water resources and inland navigation and transportation.

I may say that I took the position that the original bill would have to be corrected, and I think we have corrected it.

Mr. AIKEN. In the case of modes of transportation, we know from experience and observation that reasonable and fair competition makes business rather than destroying it.

Mr. McCLELLAN. Wherever there is navigation on the inland waterways, the prosperity of the entire areas concerned is enhanced, and everyone profits by it—the railroads and everyone else.

Mr. AIKEN. The ones who oppose progress the most frequently turn out to be the greatest beneficiaries.

Mr. McCLELLAN. That is true. That was found to be so with respect to the development of the hydroelectric power potential. The private power companies opposed such development originally, but today the development has resulted in a greater need and demand, and there are demands from more sources than ever for more power.

Mr. AIKEN. We have a good example of that in New England, where the private utility companies have vigorously opposed the Dickey-Lincoln School project in Maine. I do not know how practical that proposal is, although I think it is practical. But the very fact that it has had encouragement from Government circles has prompted the New England utility companies to move ahead and to progress, action which undoubtedly they would have postponed for some years had it not been for the threat of competition.

Mr. BARTLETT. Mr. President, will the Senator yield?

Mr. McCLELLAN. I am glad to yield.

Mr. BARTLETT. I should like to have one point cleared up. For a long while—I suppose from the very time the Coast Guard was created—appropriation requests for that service went directly to the Committees on Appropriations of the two Houses of Congress without any authorization being required. Two, three, or four years ago—not long ago, in any case—a bill was passed by the Senate and House and signed by the President requiring that Coast Guard appropriations be authorized by the Committee on Commerce of the Senate and the Merchant Marine and Fisheries Committee of the House. That put the Coast Guard on the same level as the military services, so far as appropriations are concerned.

It is my understanding that the chairman of the Committee on Commerce, the distinguished Senator from Washington [Mr. MAGNUSON], made representations to the Committee on Government Operations that he hoped that this practice would continue and that the Committee on Commerce would retain the authority to authorize appropriations for the Coast Guard in advance of the appropriations being made.

The question I should like to ask is: Will this be possible under the bill? Will there be any change in existing law?

Mr. McCLELLAN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Arkansas has 27 minutes remaining.

Mr. McCLELLAN. Mr. President, I yield the floor at this time to the distinguished Senator from Washington [Mr. JACKSON], who is a member of the committee. He will answer the question of the Senator from Alaska.

The PRESIDING OFFICER. How much time does the Senator from Washington require?

Mr. JACKSON. Mr. President, I yield myself such time as I may require to respond to the question and to make a formal statement.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. JACKSON. Mr. President, in answer to the question of the distinguished Senator from Alaska, the committee has provided that the status quo will be maintained insofar as the Coast Guard is concerned. Under the pending bill, it will be in exactly the same situation with respect to its existing authority under the Treasury Department.

That authority, in all respects, will remain the same.

I assume that practice would continue under the bill.

Mr. BARTLETT. I am happy to hear that. I know my pleasure will be shared by the colleague of the Senator, the senior Senator from Washington.

I think this authorization process has worked out much better, not only as far as the Coast Guard is concerned, but also as far as the interests of the country are concerned, than the previous system.

I am glad that the committee saw fit to retain this power in the Commerce Committee.

Mr. JACKSON. Mr. President, as the Senator is aware, the Secretary of the Treasury has full authority and control over the Coast Guard in peacetime.

Mr. BARTLETT. That is correct.

Mr. JACKSON. As a matter of practice, however, the Coast Guard is operated for all practical purposes as a separate entity.

The committee in its report has recognized the tradition that the Coast Guard be under the authority and control of the Department of the Treasury. We have made it clear that we feel the practice over the years of giving certain specific identification to the Coast Guard is a sound practice.

It is our intent that this practice be continued in the new Department.

Mr. BARTLETT. However, the Coast Guard will be shifted in its entirety to the new Department. Is that correct?

Mr. JACKSON. The Coast Guard will be shifted in its entirety to the new Department without any substantive change in the existing situation as it relates to the Coast Guard.

Mr. BARTLETT. Mr. President, I thank the Senator.

Mr. JACKSON. Mr. President, S. 3010 will establish a new Department of Transportation, encompassing within its jurisdiction every form of transportation—on land, in the water, and in the sky above. The bill will affect the commuter on his way to and from work, the shipper and producer marketing his goods, the consumer, the traveler by private auto, bus, train, ship, and airplane, and management and labor.

The Department of Transportation with its over 94,000 employees would rank fourth in size in terms of civilian and military employment; and with its nearly \$6.3 billion for fiscal 1967 would rank fifth in size in terms of budget in the Federal Government.

Within its broad compass the new Department will have the operation of a railroad—the Alaska Railroad; the development of a giant jet aircraft—the supersonic transport; the construction and operation of a seaway—the St. Law-

rence Seaway Corporation; the operation of airports—National and Dulles in Washington, D.C.; the enforcement of laws on the high seas and waters within U.S. jurisdiction—the U.S. Coast Guard, which operates as part of the Navy in time of war; the regulation of pilotage on the Great Lakes—the Great Lakes Pilotage Administration; the development and supervision of an Interstate Highway System—the \$4.5-billion-a-year Federal highway program, administered by the Bureau of Public Roads; highway beautification—the Highway Beautification Act; the operation of schools—the Merchant Marine Academy and the Coast Guard Academy; demonstrations in high-speed ground transportation—the High Speed Ground Transportation Act; merchant marine and shipping programs—the Merchant Marine Acts; the operation of air navigation systems and the control of airspace—Federal Aviation Act; and, finally, safety—safety of railroads, motor carriers, buses, oil pipelines, airplanes, ships, and automobiles.

But even with all these duties, not all transportation will be included in the Department. Urban transportation will remain in the Department of Housing and Urban Development; transportation of mail will remain in the Post Office Department; transportation of military goods and personnel will remain in the Department of Defense; transportation of Government-owned agricultural commodities will remain in the Department of Agriculture; construction of navigation projects will remain in the Corps of Engineers; and the economic regulation of transportation will remain with the regulatory agencies—the Interstate Commerce Commission, the Civil Aeronautics Board, the Federal Maritime Commission, and the Federal Power Commission.

The new Department of Transportation, headed by a Cabinet-level Secretary, will centralize responsibility for coordination of our existing transportation programs and policies, and for the development of a transport system to meet the needs of the 21st century.

S. 3010 vests in the Secretary of Transportation the responsibility for providing general leadership in the development of national transportation policies and programs; making recommendations to the President and the Congress for their implementation; promoting and undertaking the development, collection, and dissemination of technological, statistical, economic, and other information relevant to domestic and international transportation; promoting and undertaking research and development in and among all modes and types of transportation services and facilities; promoting and undertaking research and development in noise abatement, with particular attention to aircraft noise; the development of standards and criteria for the formulation and economic evaluation of all proposals for the investment of Federal funds in transportation, with certain stated exceptions, including water resource projects; and the coordination of all of the farflung transportation activities of the Federal Government. The Secretary will also be vested

with all of the administrative and promotional functions, powers, and duties transferred to the Department.

To aid the Secretary in performing these challenging duties, S. 3010 provides for four Assistant Secretaries without statutory assignments. These Assistant Secretaries will perform such duties as the Secretary may prescribe in the carrying out of his coordination and leadership functions.

S. 3010 also provides for four Administrators—one each for Aviation, Highway, Rail, and Maritime—to carry out policy and program matters relating to each particular mode. These four modal administrators, together with the Commandant of the Coast Guard, and the Administrator of the St. Lawrence Seaway Development Corporation, will exercise duties in particular areas of transportation.

The establishment of both cross-the-board Assistant Secretaries and modal administrators should insure that the Secretary has assistance not only in his coordination and leadership duties, but also in his responsibilities for carrying out programs concerning particular modes of transportation.

Primary responsibility for safety within the Department would be vested in a National Transportation Safety Board. This Board would: First, determine the probable cause of all transportation accidents and report the facts, conditions, and circumstances of each accident; second, review on appeal the suspension, amendment, modification, or denial or any certificate or license issued by the Secretary or Administrator; and third, conduct special safety studies, issue reports on safety, and recommend safety legislation. The Safety Board would assume the present accident investigation, determination of probable cause, and licensing appeal functions of the Civil Aeronautics Board.

S. 3010, as introduced, vested all functions, powers, and duties transferred to the Department in the Secretary. This would include not only promotional and administrative functions, such as administering the Federal highway acts, but also quasi-legislative and quasi-judicial functions, such as establishing rules and regulations for the safe transportation of explosives.

The essence of quasi-judicial and quasi-legislative functions is that they involve matters which are to be determined on the record after affording interested persons an opportunity to present their views. Congress could, for example, establish rules and regulations for the transportation of explosives. This would not be practicable and instead, Congress has delegated this duty to an independent agency—the Interstate Commerce Commission—to make such rules and regulations according to procedures established under the Administrative Procedure Act.

The effect of vesting these duties in the Secretary would be that the initial decision would be made by a modal administrator, and then an extra layer of appeal would be added—to the Secretarial level—before finality occurred.

The committee considered that such quasi-judicial and quasi-legislative matters should be decided by the modal administrators, and that their decisions should be administratively final and appealable only to the courts, except certain certificate appeals which would go to an independent board—the National Transportation Safety Board—in accordance with present practice.

Two matters the committee considered to be of this quasi-judicial nature. The first is safety. Presently, rail, highway, and pipeline safety are carried out by an independent agency—the Interstate Commerce Commission. Aircraft safety is carried out by two independent agencies, the Federal Aviation Agency, and the Civil Aeronautics Board. Maritime safety is now carried out by the Coast Guard, which as a practical matter functions as an independent unit within the Treasury under a Presidentially appointed Commandant.

S. 3010 as reported by the committee places responsibility for highway safety in the Highway Administrator; for rail and pipeline safety in the Railroad Administrator; and for aviation safety in the Federal Aviation Administrator. The decisions of these administrators as to safety would be administratively final. The Coast Guard, which would be transferred to the Department as a legal entity, would continue to operate under the Commandant, and handle maritime safety in accordance with present procedures.

The second matter involving quasi-judicial functions is maritime subsidy matters. As to maritime subsidy matters, there are requirements for hearings, and a history of independent boards and administrations handling these matters. S. 3010, as favorably reported by the committee, places in the Maritime Board the exercise of maritime subsidy matters, which involve hearings, and the Board's decisions are administratively final. Appeals, as provided by law, would be directly to the courts.

The placing of these duties in modal Administrators and the Maritime Board will free the Secretary to carry out the vital responsibilities and duties as to coordination, development of transportation policy, promotional functions, and administration entrusted to him by this act. It will also insure that these technical matters requiring the highest degree of expertise receive adequate attention, free from any partisan political considerations.

The removal of these duties leaves the Secretary vast responsibilities. He is directed to develop transportation policy, and to coordinate all Government transportation policies and programs. In the highway field, it will be the Secretary's duty to administer the nearly \$5 billion a year Federal-aid highway program; the Highway Beautification Act; and the recently passed Highway Safety and National Traffic and Motor Vehicle Safety Acts of 1966. The quasi-judicial functions entrusted to the Federal Highway Administrator concerning motor carrier safety involve approximately \$2 million a year and less than 200 personnel.

The Secretary's responsibilities in the railroad and pipeline field would be to carry out those duties now in the Secretary of Commerce involving high-speed ground transportation, research and development; and the duties now in the Secretary of the Interior involving the Alaska Railroad. The Railroad Administrator would carry out those duties transferred from the Interstate Commerce Commission concerning rail and pipeline safety.

The committee devoted serious and lengthy consideration to the assignment of aviation and maritime functions within the Department. The committee members desired to treat all quasi-judicial functions similarly within the Department, but the application of this principle to aviation safety and maritime matters was not easy.

Under the Federal Aviation Act of 1958, the FAA has been responsible for operating the air navigation system, regulating air commerce to promote its safety, and prescribing minimum standards for the certification of airmen and for design, materials, and workmanship of aircraft construction and maintenance. These functions, pertaining to safety, were transferred to and made the duty of the Federal Aviation Administrator to exercise within the Department. The other duties now carried out by the Federal Aviation Agency, such as administration of the Federal Airport Act; aircraft registration and title recording; duties under the International Aviation Facilities Act; and duties under the Washington National Airport Act, were vested in the Secretary.

The duties vested in the Secretary could, of course, be delegated by the Secretary to the modal Administrators, but they need not be. The duties statutorily assigned to the modal Administrators, such as those involving aviation safety, would be carried out by them and could not be transferred within the Department by the Secretary.

The Civil Aeronautics Board presently has statutory responsibility for investigating accidents involving civil aircraft, determining the cause or probable cause of such accidents, and reviewing on appeal certificate actions taken by the Federal Aviation Agency. This division of responsibility between the Federal Aviation Agency, which is charged with operating and maintaining air safety, and the Civil Aeronautics Board which has responsibility for investigation and determination of probable cause, has worked well according to the testimony presented to the committee.

S. 3010 as introduced would have transferred Civil Aeronautics Board duties involving probable cause and appeal certificate actions to the National Transportation Safety Board, and aircraft investigation to the Secretary, who would assign them to an Office of Accident Investigation. The committee determined that aircraft accident investigation should be kept independent in accordance with the present practice, and assigned this duty to the National Transportation Safety Board.

In the maritime field, the committee determined that maritime subsidy matters, which primarily are of a quasi-judicial nature, should be placed in the hands of a statutorily established Maritime Board. The Maritime Board would be composed of the Federal Maritime Administrator, as Chairman, and two additional members, with tenure, appointed by the President and confirmed by the Senate. The decisions of the Maritime Board would be administratively final, and appeals authorized by law would be directly to the courts.

The remaining matters, in accordance with the handling of other modes, could have been vested in the Secretary. Instead, it was decided to place these matters in the hands of the Maritime Administrator, but not to make his decisions administratively final. Some of these other matters, such as determining trade routes, do involve questions which could be considered in the gray zone of quasi-judicial; but others, such as examining nautical schools, administering the Merchant Marine Academy, and certain national emergency powers, clearly do not. The various merchant marine matters are interrelated, and therefore it was decided to provide for their exercise solely by the Federal Maritime Administrator and the Maritime Board. It was not considered appropriate, however, to make the Maritime Administrator's decisions in such areas as national emergency functions and nautical school review administratively final.

This administrative assignment of functions, which the committee adopted, has strengthened the bill. It will entrust responsibilities within the Department to appropriate officials. Furthermore, it will free the Secretary to devote his time to providing this Nation with a coordinated national transportation to meet the needs of the coming 21st century.

Mr. President, before urging the Senate to act favorably on S. 3010, I want to pay special tribute to the staff members.

Mr. James R. Calloway, the staff director, led the team that handled these long drawn out hearings and the discussions that went on after the hearings were completed. His work was outstanding.

He was ably assisted in the Committee on Government Operations by Mr. Eli Nobleman, a longtime member of the professional staff.

Mr. President, the problems presented to the committee go to the heart of our national transportation policy. The need for a substantive understanding of transportation matters is obvious in this undertaking. We were fortunate, through the courtesy of the Commerce Committee chairman [Mr. MAGNUSON] to have the services of his chief counsel, Mr. Gerald B. Grinstein, who has had long and extensive experience in this field.

Mr. Stanton P. Sender, a staff counsel of the Commerce Committee, had the responsibility for advising and assisting on the substantive transportation problems. I must say that his experience at the Interstate Commerce Commission in the

transportation field and on the Senate Commerce Committee for many years was of invaluable help. Mr. Sender's advice, counsel, and technical assistance and tremendous understanding of the broad and complex field of transportation made it possible, with the wonderful cooperation of the other members of the staff, to report the bill unanimously to the Senate.

Mr. President, I urge the adoption of S. 3010 as favorably and unanimously reported by the committee.

(At this point, Mr. RIBICOFF assumed the chair.)

Mr. AIKEN. Mr. President, will the Senator yield for a question?

Mr. JACKSON. I am glad to yield to the Senator from Vermont.

Mr. AIKEN. On page 68 of the bill, line 7, the following appears:

The standards and criteria for economic evaluation of water resource projects shall be developed by the Water Resources Council established by Public Law 89-80. For the purpose of such standards and criteria, the primary direct navigation benefits of a water resource project are defined as the product of the savings to shippers using the waterway and the estimated traffic that would use the waterway;

Am I correct in understanding that to get feasibility under the criteria, potential business on the waterway shall be taken into consideration?

The reason I ask that question is that under the present formula and the present methods, investigators will go to the established companies who are located perhaps several miles away from the waterfront, for the simple reason that there is no improved waterway they can use. They naturally say they cannot use them because they know if the waterways were improved they would have competition and would have to locate on it, or relocate themselves.

I am afraid that some studies have been made only of existing shippers who do not want competition as to the proposed improvement in a waterway.

Mr. JACKSON. I can only answer the question this way. The entire burden of section 7 of the bill is to maintain the existing law. The language as originally presented in the administration bill would have changed substantially the requirements relating to water transportation. This grew out of a 1964 Bureau of the Budget directive.

As the distinguished Senator from Arkansas [Mr. McCLELLAN] pointed out in his opening remarks, we did not accept the administration language as presented to the committee. We elected to maintain the status quo.

I wish to emphasize this. There is no change in the standard that the Corps of Engineers, or any other agency charged with that responsibility, would apply.

I assume that takes care of recently contemplated matters, but I hesitate to predict that.

Mr. HARRIS. Mr. President, will the Senator yield to me briefly?

Mr. AIKEN. On page 69 there is set forth the method of evaluation. I am glad that the committee did not accept the administration recommendation because under the policy of the last 2 years

the improved waterways have been something to dream about but not to expect.

Mr. JACKSON. That was a policy, but not a statutory policy.

Mr. AIKEN. I understand that.

Mr. JACKSON. I yield to the Senator from Oklahoma [Mr. HARRIS], who can respond more definitively as to the existing state of the law at the present time. This is what we are really talking about.

Mr. HARRIS. I thank the Senator from Washington.

As a member of both the Committee on Government Operations and the Committee on Public Works, and as cosponsor with the distinguished Senator from Arkansas [Mr. McCLELLAN], of title VII, as it now stands in the bill, I would respond to the Senator from Vermont by saying this.

Before November 1964, as the Senator well knows, the Bureau of the Budget used what was called the "current rate" theory on criteria for navigation projects. After that, they went to a "compelled rate" theory, so that after November 1964, we have built no new navigation projects; no new ones have been authorized.

Since we have been considering title VII in the Committee on Government Operations, the Bureau of the Budget has now issued another letter in which they have gone back to the "current rate" theory. That is, cost-benefit ratio would be based upon the savings on freight on the basis of current freight rates, with these two exceptions.

First, the Bureau of the Budget letter says that the Bureau intends to continue to study the matter, which sounds very ominous, because what they did by letter they can change by letter. Furthermore, when they define "current rate," they can go off as far as they want to, to another part of the country and use rates being charged a long way from where the project is to be built. We think it should be written into the statute that cost-benefit ratio will be based on current rates, and current rates should be defined to be those rates in the actual area where the navigation project is proposed. That is what this would do.

Mr. President, I ask unanimous consent to have printed in the Record at this point the marked portion of page 14 of the committee report, which sets forth the explanation of title VII of the bill and also sets forth the finding of the committee that current rates should be defined as rates presently being charged in the actual area of the proposed navigation project.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

The fourth amendment would continue the authority of the Water Resources Council to establish standards and criteria for the evaluation of water resource projects where it was placed by the Congress last year when the Council was established by section 101 of Public Law 89-80. In addition, it would set forth a definition of primary navigation benefits which the committee deemed necessary in order to insure that future projects will be evaluated on the same basis as those which have resulted in the development of this Nation's outstanding system of inland navigation which has served so well in peace

and war. After providing that the standards and criteria for economic evaluation of water resource projects shall be developed by the Water Resources Council, the amended language provides:

"For the purpose of such standards and criteria, the primary direct navigation benefits of a water resource project are defined as the product of the savings to shippers using the waterway and the estimated traffic that would use the waterway; where the savings to shippers shall be construed to mean the difference between (a) the freight rates or charges prevailing at the time of the study for the movement by the alternative means and (b) those which would be charged on the proposed waterway; and where the estimate of traffic that would use the waterway will be based on such freight rates, taking into account projections of the economic growth of the area."

The fifth amendment which merely expands the membership of the Water Resources Council to include the Secretary of Transportation in matters pertaining to navigation features of water resource projects, is entirely consistent with the intent of section 101 of Public Law 89-80, which established the Council.

In connection with the definition of primary direct benefits, contained in the fourth amendment and set forth above, the committee desires to make it abundantly clear that in estimating navigation benefits, the Corps of Engineers is to use the rates prevailing in the area under consideration in the survey report and is not to introduce a freight rate applied in some other area, even though it may have limited application in the transportation of commodities from other regions to an area that could be served by the proposed development.

Mr. AIKEN. I wish to commend the committee for putting this requirement into the law.

I am prompted to ask these questions because of one situation which I have in mind where I believe, under the old formula and study, it was shown that the benefits-to-cost ratio really was about 0.83-to-1, without taking into consideration the inevitable increase in business in the communities along the route which would, in my judgment, bring it to an economic level.

Mr. JACKSON. May I comment on that point?

Mr. AIKEN. I would be happy to have the comment of the Senator.

Mr. JACKSON. To be specifically responsive to the question of the Senator from Vermont, I wish to read from page 27 of the committee report:

The estimate of traffic that would use the waterway is to be based on such freight rates, taking into account projections of the economic growth of the area.

That is simply a codification of existing law and practice prior to the directive that the Bureau of the Budget issued in 1964.

Mr. AIKEN. I wish to ask one further question. Does that take into consideration an increase in recreational traffic as well as what we call heavier cargo, because the case I have in mind would enjoy a great recreational increase?

Mr. JACKSON. Under the legislation we have passed, I will answer this way: The corps, of course, in multiple-purpose projects can include in its program recreational benefits. I cannot answer the question of the Senator as to the traffic on the river of a recreational na-

ture. But it would be commercial and noncommercial. All of that, of course, is tied in with the benefit-to-cost ratio of the project.

Mr. AIKEN. Does the Senator agree that the recreation potential should be taken into account?

Mr. JACKSON. I think it should, certainly, because it is commerce.

Mr. AIKEN. Whether or not there would be both freight and recreation?

Mr. JACKSON. Yes.

Mr. HOLLAND. Mr. President, I think I understand the situation, and I am happy that it has developed as I think it has. I should like the Senator from Oklahoma [Mr. HARRIS] to attend to my questions so that he, too, may reply if it becomes appropriate.

Do I understand correctly that the system by which the benefit-to-cost ratio was established, prior to the unfortunate order of the Bureau of the Budget in 1964, which had operated well and successfully for many years but was set aside by the Bureau of the Budget, will now become the rule of operation in determining the benefit-to-cost ratio of proposed waterway development projects under this legislation, so that no Bureau of the Budget or any other administrative office can change it?

Mr. JACKSON. We have not only negated the 1964 directive of the Bureau of the Budget but we have, by statute, also written into section 7 what the criteria are, should be, and must be, in connection with water navigation projects. Much of that, in the past, has been of a policy nature. We have now, by statute, made clear that we insist the policy be that of the executive branch prior to the directive of the Bureau of the Budget of 1964.

Mr. HOLLAND. I congratulate the Senator from Washington.

Mr. JACKSON. It goes beyond what it was previously.

Mr. HOLLAND. My understanding is that after a great many of us, including the Senator from Washington, the Senator from Oklahoma, the Senator from Vermont, and others, had protested vigorously against the change in policy which resulted from the order of the Bureau of the Budget in 1964, the Bureau of the Budget recently went back to the program by supplanting the order of 1964 and reinstating the old policy.

I have felt that it would be wise to make the old policy permanent for all purposes by putting it in the act and preventing the Bureau of the Budget, or any other executive office or agency from changing it by arbitrary fiat. Do I correctly understand that that is the provision of this legislation?

Mr. JACKSON. The Senator is correct.

Mr. HARRIS. Mr. President, will the Senator from Washington yield?

Mr. JACKSON. I yield.

Mr. HARRIS. In answer to the Senator from Florida, and also for purposes of making the record clear, I agree 100 percent with what the Senator from Florida has said.

The authority over new navigation projects would have been fragmented in the original bill as introduced. Now,

under this bill, it will remain with the Water Resources Council and the Corps of Engineers. We have written into the statute the criteria we support, and we have defined the criteria in the report. This is far superior, I think, to what the other body wound up with by striking title VII altogether. I would say that title VII now is a real "plus" in the bill. It is an integral part of my support of the bill—that is, what we have written into it. It is also what the Senator from Arkansas [Mr. McCLELLAN], who is a vigorous supporter of the amendment, wants in the bill. I think that this is a very good title VII, and it is absolutely essential that the Senate and the conference keep it unchanged.

Mr. HOLLAND. Let me express not only my own appreciation of this, but because the distinguished chairman of the Subcommittee on Public Works of the Appropriations Committee, the senior Senator from Louisiana [Mr. ELLENDER], has been deeply concerned with the same subject, and I am sure that he too will be highly appreciative of the change. I express publicly my appreciation to the Senators who have brought it about.

Mr. RANDOLPH. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield to my friend from West Virginia.

Mr. RANDOLPH. I am grateful for the opportunity to affirm the position of the distinguished Senator from Florida, who formerly served on the Public Works Committee with great diligence and effectiveness. I also commend the chairman and members of the Government Operations Committee for their action with regard to the criteria on water resource development.

Mr. HOLLAND. Let me ask another question.

Mr. JACKSON. Certainly.

Mr. HOLLAND. There are, of course, a number of regulatory agencies. I think, for instance, of the CAB, of the ICC, and of the FPC, which have certain authority which used to be exercised directly by Congress in connection with the handling of various activities in commerce.

I assume, from what I have read from the report, and from what I was able to hear of the distinguished Senator's statement, that the continued operation of those functions, which are really delegated by Congress to agencies which are performing functions performed in the early days of our country by Congress, will be continued in those regulatory agencies which are really congressional agencies rather than executive agencies; am I not correct?

Mr. JACKSON. The Senator is substantially correct. The transfer, of course, of the accident investigation functions of the CAB—

Mr. HOLLAND. That is not a part of the legislative delegation.

Mr. JACKSON. That is correct. Those agencies to which the Senator has referred remain outside the proposed Department of Transportation and they have not been affected by the proposed bill.

Mr. HOLLAND. I again express my appreciation, because, while I favor the

simplication of this whole field by unification of executive factors relative to transportation into one agency, where they can be handled as they should be at one place, I would be reluctant ever to see functions which are really legislative delegated to an executive agency, and this will be a Cabinet agency.

Mr. JACKSON. That is correct.

Mr. HOLLAND. It should handle only those functions which are executive. I am happy, indeed, to hear from the distinguished Senator that the legislative functions heretofore assigned as a matter of convenience and, indeed, of necessity by Congress to the various regulatory agencies, insofar as those functions relate to transportation, have been safeguarded and continued in independent agencies which will continue to function along legislative lines.

Mr. JACKSON. The Senator is correct.

Mr. SALTONSTALL. Mr. President, will the Senator from Washington yield?

Mr. JACKSON. I yield.

Mr. SALTONSTALL. I appreciate the Senator's yielding to me. I have been reading page 7 of the committee report with relation to the Federal Maritime Administration and, of course, we are very much interested in that in Massachusetts, on account of the port of Boston and the building of ships in our State. As I read the report, and from what I am told, the maritime industry—both the management and the unions—are now satisfied with the form of the bill as it has been reported; am I not correct?

Mr. JACKSON. I should like to be able to answer that in the affirmative. I think they are in substantial agreement with the bill as reported, but they would like to see either a completely independent maritime agency within the Department of Transportation, or maritime completely exempted from the Department.

Obviously, we could not do that because then there would not be any point in having a Department of Transportation.

What we did, in short, was to set up a separate maritime board which would handle quasi-judicial matters.

The board would have three members, and the Federal Maritime Administrator would be chairman and an ex officio member of the board. The other two members would be appointed for terms of 4 years each on a bipartisan basis. The decisions of the board would be administratively final, and appeals from the board would go directly to the circuit court; they would not go through the Secretary.

In short, we have tried to separate administrative functions from rulemaking decisions, which are of a quasi-legislative nature. On quasi-judicial decisions, appeals would be directly to the circuit court.

An exception would be made in the case of Federal Aviation Agency certificate actions, which could be appealed to the National Transportation Safety Board. In general, that is the line of demarcation that was made in the bill.

Mr. SALTONSTALL. So the administrative functions would be performed in the Department of Transportation by administrators, but quasi-judicial functions would be handled by a board and would be entirely separate from the administrative functions?

Mr. JACKSON. There would be a separate, autonomous board; and any appeal from that board would be directly to the courts. That is to say, in accordance with the Administrative Procedure Act, appeals would be to the circuit court. Such appeals would not go first to the Secretary. At the present time, appeals could go first to the Secretary of Commerce. As I stated in my opening remarks, that is an added layer of hindrance in the appellate process. The members of the committee—and they were unanimous—could see no reason to burden the Secretary with these functions.

The Secretary has the enormous task of developing transportation policy which we, by this legislation, have charted for him. I should say he would have his hands full.

Mr. SALTONSTALL. In establishing the new department, the Secretary is given some powers—that is, in a broad way—over all of the agencies, so he will not be merely a figurehead at the top of a group of independent agencies?

Mr. JACKSON. To give one illustration, the Secretary will supervise the entire highway grant-in-aid program, which amounts to about \$4.5 billion out of a budget of a little less than \$6 billion. He will have substantial administrative responsibilities. I believe that the distribution of responsibilities that we have provided for makes sense. The Secretary should not be burdened with all the detailed problems that arise from quasi-judicial responsibilities. We have tried to make that fundamental line of demarcation. The bill as originally presented to us vested all these responsibilities in the Secretary. The committee has tried hard to do a constructive, thorough job, in the hope of writing a sound bill.

Mr. SALTONSTALL. I am particularly interested from a maritime point of view; and, from what the Senator has said, I understand that, with respect to the broad, general language, both management and the unions are not opposed to any particular section of the bill.

Mr. JACKSON. They feel that this is an improvement. They would like to have it completely independent. The House has exempted it.

If I may refer to one other point raised, concerning the authority of the Secretary, I should say that the real purpose of the legislation is to place in the hands of a Cabinet officer the responsibility and duty of hammering out a national transportation policy.

Mr. SALTONSTALL. We need one.

Mr. JACKSON. We need one. All administrations have wrestled with this problem. Congress has wrestled with it. We do not have a well coordinated national transportation policy. This proposed legislation, if enacted into law,

will give that opportunity to a Cabinet officer.

I hasten to add that he will have the opportunity of hammering out a policy which he must present to Congress for implementation. We have not given the Secretary authority to rewrite the transportation laws. But we have imposed on him the top priority and duty of, in due time, presenting to Congress a well coordinated and, I hope, useful, long-range transportation policy. We are hopeful he can do it. If he does, he will have accomplished the solution to one of the great problems that faces us, which is like the task of solving the water problem.

As President Kennedy said, the man who can solve the water problem will be entitled to two Nobel prizes, one in the field of science and one for peace.

We have the same kind of problems in the transportation field as we have with respect to diversion of water, water rights, and so forth.

Mr. SALTONSTALL. The Senator and I are both members of the Armed Services Committee, and we know that when we established the Unification Act we left it to the future to improve on it and gain experience under it. In that respect, that is what the Senator has said about this new Department.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. JACKSON. I yield to the Senator from Maryland.

Mr. BREWSTER. I wish to make one brief comment on the colloquy about the maritime industry. Yes, there is substantial agreement between management and labor as to the need for a maritime policy, but the industry thinks the administration as established by the proposed Department of Transportation should have more independence than is now presented.

At a propitious time later, I shall offer some amendments to endeavor to bring that about.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. JACKSON. I yield to the Senator from Wisconsin.

Mr. PROXMIRE. I call the Senator's attention to the part of the bill on page 68 which refers to an apparent change in standards and criteria for economic evaluation of water resource projects.

It is my understanding that this would reverse what I think is a far more accurate method of computing the benefit-cost ratio for waterways. The language would open the old pork barrel to literally billions of dollars—over the years—of unjustified and wasteful waterway projects. I want to make sure I understand the meaning of the language.

I read from page 68, starting on line 13:

Where the savings to shippers shall be construed to mean the difference between (a) the freight rates or charges prevailing at the time of the study for the movement by the alternative means and (b) those which would be charged on the proposed waterway; and where the estimate of traffic that would use the waterway will be based on such freight rates, taking into account projections of the rate of growth.

I made a speech on June 20 on the floor of the Senate in which I went into great detail extolling the provisions of the new evaluation system used by the Corps of Engineers. I ask unanimous consent that the text of that speech be printed in the RECORD at this point.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

CORPS OF ENGINEERS NEW PROCEDURES FOR WATERWAYS GREAT IMPROVEMENTS

Mr. PROXMIRE. Mr. President, in recent months, several Members of Congress have criticized the Corps of Engineers new and improved procedures for estimating the benefits to be derived from waterway projects. As you know, I am no stranger to criticizing the corps, since I have not hesitated to attack the corps in the past for rigging the benefits that can be expected from public works projects in order to insure congressional approval. The corps is under intense pressure from Congress to recommend projects which are primarily intended to inject massive Federal funds into a Congressman's district or State. Often these projects could not be justified unless phony benefit-cost standards were used. For instance, Prof. Robert Haveman of Grinnell College made a study of 147 projects in 10 States between 1947 and 1962 involving some \$2,664 million. He applied the techniques of highly qualified economists to these projects. Using these techniques he found that 63 of these 147 projects, representing over a billion dollars in Federal funds or 44.2 percent of the total, should never have been undertaken.

Now that the corps has implemented a system which more accurately measures future benefits it is only natural that it should come under congressional fire from legislators who are threatened with the loss of multimillion-dollar projects. Thus, I believe it is high time someone spoke out in support of the corps efforts to spend our tax dollars wisely, and I shall therefore reply to the recent congressional criticism. I shall show, first, that the corps new procedures for estimating benefits are an improvement because they are more in line with accepted economic practice. Second, I shall respond to the specific points raised by the congressional critics.

I. BENEFITS MUST BE ESTIMATED IN ORDER TO MAKE MAXIMUM USE OF RESOURCES

Mr. President, from the standpoint of society as a whole, the goal of all economic ventures is to obtain the maximum amounts of goods and services at the lowest possible cost of resources. For instance, it would be senseless to build four waterways to do an amount of work that can be done equally well by one waterway: in this situation four water projects vastly increase costs but provide no additional benefit. In the same way, it makes no sense to build even one waterway if alternative modes of transportation can do the job with a smaller expenditure of society's resources. In order that proposed waterways shall conform to this goal of maximum production of goods and services at the least cost in resources, it is necessary to know, first, the amount of traffic that will be carried by the waterway and, second, whether this traffic will be carried more cheaply by water than by alternative modes of transportation. For if we determine both the amount of traffic to be carried and whether it will be carried most cheaply by water, we can determine whether the proposed waterway or an alternative mode of transport will do the work at least cost.

II. THE FORMER PROCEDURES OVERESTIMATED THE AMOUNT OF WATERWAY TRAFFIC

Now it is a certainty that the amount of traffic that will move via water depends in great part on the water rate as compared to

the rate charged by competing modes of transportation, such as the railroads, the mode to which I shall refer here. Before altering its procedures, the corps used to estimate the amount of traffic accruing to a potential waterway by comparing the current water rate with the current rail rate. The corps would then calculate the benefit accruing to this waterway traffic by again using the difference between the current water and rail rates. To illustrate these bygone procedures, assume that at current rates shippers pay \$2 to move a unit of traffic via water and \$3 to ship it via rail. The corps would calculate that the difference in rates would cause a certain amount of traffic to shift to water transportation—let us assume it would be 100 units. Each of these 100 units would save the \$1 difference between the water and rail rates, so that the total benefit accruing to the water traffic would be \$100.

However, as many observers pointed out, these old procedures were seriously defective for at least two reasons. First, it was erroneous to use current rail and water rates to estimate the traffic that would move by waterway in the future. For both railroads and water carriers are undergoing technological innovations which imply that in future years rates will be lower and that there will be a smaller spread between water rates and rail rates. Moreover, if and when a waterway comes into existence, rail rates will become lower entirely aside from improvements in technology. This is so because railroads charge what the traffic will bear, a method of pricing which, in the absence of competition, creates a very large gap between the railroad's costs and the rates it charges. When a waterway comes into existence, the competition it provides forces the railroad to bring its rates more into line with its costs: for example, the rail rate on petroleum shipments from Portland, Oreg., to Florida fell by 38 percent after a competing portion of the Columbia River became navigable. Thus, since technological improvements and waterway competition insure that future rates will be closer to water rates than is true currently, the former corps practice of using current rates to estimate future waterway traffic resulted in an overestimation of such traffic. In terms of our previous example, where there was a \$1 difference between current rail and water rates and where the spread caused 100 units of traffic to move via water, in the future there will be a smaller spread between rail and water rates and, everything else being equal, less than 100 units will move via water.

III. THE FORMER PROCEDURES ALSO OVERESTIMATED THE BENEFIT ACCRUING TO WATERWAY TRAFFIC

In addition to overestimating the amount of traffic which would move via water, the corps old procedures also overestimated the benefit accruing because traffic is carried by water rather than rail. In this connection, it must be understood that real social benefit only arises if the water project provides its service at a lower cost of real social resources. In other words, there is benefit only if less steel, concrete, labor, management skill, and so forth are used up in carrying traffic by water than in carrying traffic via rail. Therefore, the ideal way to measure benefit would be to measure the value of steel, concrete, and other costs required by water transportation and compare this with the value of the steel, concrete, and so forth, required by rail transportation.

However, the plain fact of the matter is that at present there is no satisfactory method for producing a sufficiently exact comparison of real water and rail costs. It is necessary, therefore, to fall back on the best substitute method available: benefit—or the saving in real costs—is computed by comparing water rates with rail rates.

There was, however, a threefold problem with the corps' previous procedure of com-

paring current water rates with current rail rates to estimate future benefit. First, since the amount of traffic was overestimated, so was the benefit. Second, since, as we have seen, charging what the traffic will bear causes current rail rates to be far above current real rail costs, the amount of future cost saving is exaggerated when the current water rate is subtracted from the bloated current rail rate. Third, since technological progress will, in the future, diminish the spread between real water costs and real rail costs, the amount of future cost saving is even further exaggerated by comparing current water and rail rates to estimate future benefit. In terms of our previous example, where the current water and rail rates were \$2 and \$2 respectively, the old procedures exaggerated benefit because, first, less than 100 units of traffic will move via water; second, the spread between the current \$2 water rate and the bloated current \$3 rail rate is greater than the spread between current costs; and third, in the future the spread between real costs will be even less than it is today.

I should now like to briefly recapitulate some of the salient points in the foregoing. Formerly the corps used current water and rail rates to estimate the future traffic and benefits of a proposed waterway. However, because of technological improvements in rail travel as well as competition from the proposed waterway, in the future there will be a smaller spread between rail and water rates. There will also be a smaller spread between real rail costs and real water costs. For these reasons, the use of current rates to make predictions resulted in overestimating both the amount of future traffic, and the amount of future benefit accruing to waterways.

IV. THE NEW PROCEDURES MORE ACCURATELY ESTIMATE WATERWAY BENEFIT ACCRUING TO THIS TRAFFIC

By its recent change in policy, however, the corps has adopted more accurate and economically appropriate procedures for making estimates. The corps now estimates the amount of traffic that will move on a future waterway by comparing the estimated future water rate with the estimated future rate which railroads will charge to meet the water competition—referred to as the water compelled rail rate. It then measures benefit by the difference between the future water rate and the rail rate that would have been paid in the absence of waterway competition—the nonwater compelled rail rate. In terms of our previous example, one might find that the future water rate will be \$1.75, the future water compelled rail rate will be \$2 and the future nonwater compelled rail rate will be \$2.50. Under these conditions, 50 units of traffic will move by water and each unit will benefit by the difference between the \$1.75 future water compelled rate and the \$2.50 rail rate that would have been paid in the absence of a waterway. I note parenthetically that the future nonwater compelled rail rate of \$2.50 is lower than the current rail rate of \$3 because of technological improvement, but higher than the future water compelled rail rate of \$2 because of the lack of water competition.

Mr. President, the corps' new procedures are far better than its old ones because the present procedures are based on more accurate approximations of future traffic, rates, and costs. We know that rates will not remain static and that current rates therefore do not reflect future ones. This means that a railway charging \$3 to move a unit of traffic today would only charge, say, \$2 in competition with a waterway, both because of technological advances and competitive pressures. The corps, recognizing this built-in defect, is now using future rate estimates in arriving at both the amount of traffic which will move on a proposed waterway and

the benefit to the national economy of the waterway. As a result, estimated waterway traffic, together with estimated benefits from the waterway, are substantially less. The corps' new methods insure that, in making its decisions, Congress will have a much better idea of the value to society of its appropriations. Clearly, it is much better to calculate traffic and benefit by using reasonable predictions of future rates, as the corps now does, than to use current rates, as the corps formerly did, and as many congressional critics say they will continue to do.

Mr. President, I shall use the few minutes remaining to answer congressional criticisms.

A. DO THE NEW METHODS CAUSE UNPREDICTABILITY?

One criticism raised in Congress recently is that to estimate future traffic and rates is to introduce highly unpredictable elements. There are two clear answers to this criticism. First, although the projection of future rates and traffic may be subject to some error, the traffic rate estimates advocated by the congressional critics is predictably inaccurate in the extreme. For the critics would, as the corps formerly did, use current rates to predict future traffic and benefits. Thus, the critics would use figures which are sure to be inaccurate because future rates will, as previously said, be different from current ones. Though the critics would be measuring existent realities, they would simply be measuring the wrong things. Clearly, then, the corps' reasonable predictions of future rates are sure to be more accurate than the critics' methods would be.

The second answer to the criticism is that the existence of difficulties in making estimates is not unique to the projection of rates and traffic. Projections of the future level of production, income, employment, and population all involve difficulties, yet these projections must be made if the Nation is to maximize economic benefit from the development and allocation of its resources. Just as we predict future production, income, and so forth, to make rational decisions in the public interest, so too must we predict future rates and traffic to make rational decisions.

B. CAN RAILROADS DEFEAT WATERWAYS BY TEMPORARILY LOWERING RATES?

Another point made by the critics is that, by temporarily lowering its rates on the carriage of specific goods between specific points, a railroad faced with potential water competition for the carriage could reduce the corps' estimated benefits of the waterway, thus causing the water project to appear uneconomic. The railroad could then rescind its rate reduction after the waterway has been rejected. Here again, however, there are two answers to the critics. First, in projecting future rail rates between two given points, the corps no longer uses the current rail rates between those points. Thus, a reduction in current rail rates between the two points could have no effect on the corps' projections—indeed, it is only under the corps' previous procedures, advocated by congressional critics, that a reduction in current rail rates between the two points could diminish the projected benefits of a waterway. Second, the critics fail to recognize that railroads cannot raise and lower rates at will. For instance, if a railroad could demonstrate to the Interstate Commerce Commission that its costs have been sufficiently decreased to justify a reduction in rates, the road would be hard pressed to later demonstrate that rates must be increased.

C. WILL PROJECTS BE APPROVED?

A third congressional objection to the new procedures is reflected in the claim that no new projects have been approved since November 1964. This criticism is both untrue and irrelevant. Reapproval of the

Kasaskia project in 1965 stands as evidence of its untruth. It is irrelevant for several reasons. First, to rest one's case on the proposition that a return to the old method is required because its places the seal of approval on more projects is to deny the wisdom which the Congress displayed some 30 years ago in requiring benefit-cost analysis on public works projects. Indeed, the very purpose of benefit-cost analysis is to eliminate those projects which imply a waste of the society's resources. To plead for a return to an erroneous measurement technique because it yields a greater public works program is, quite frankly, to plead for an increase in uneconomic and wasteful government expenditures. Another reason why the objection is irrelevant is that, to a substantial extent, the lack of other approvals is not due to the new method of computation, but to the fact that the projects currently under study are very large ones requiring lengthy analyses which have not yet been completed. These projects should not be submitted for approval until their analyses are finished. And it is worth noting that one project whose analysis recently was completed—the central Oklahoma project—did not even qualify under the old method of computation.

D. WILL TRAFFIC EXCEED ESTIMATES?

A fourth congressional criticism is that in the past the amount of traffic carried via waterways has far exceeded the most liberal estimates. This criticism is again irrelevant. In the past the corps generally has used a short-term calculation of future traffic. It has used a long-term estimate only in doubtful cases where such an estimate was necessary to more adequately ascertain whether benefits would exceed costs. It is not surprising that in the vast majority of cases the long-term traffic, while it would not have exceeded a long-term estimate made under the old procedures, did exceed short-range estimates under those procedures. Now, however, the corps is using long-term estimates based on long-range projections of factors such as population, production, and income, so that it is very unlikely that actual traffic will consistently exceed estimates.

E. WILL ECONOMIC DEVELOPMENT BE STIFLED?

The final congressional criticism is that the corps' policies are generally shortsighted and that this is yet another instance of such myopia. The development of waterways, so goes this argument, will increase the development of industry and agriculture and will thereby increase the business accruing to alternative means of transportation, including the railroads. Again, this criticism is an erroneous one. First, it is the unusual situation in which industry and agriculture will not develop in the absence of a waterway. Second, and more importantly, it is not only the interests of the region which are at stake here, but rather the interests of the Nation. To the extent that a waterway development stimulates economic activity in one area when such activity would otherwise have developed in another area, the increased activity in the region is not a national benefit. Growth has simply been diverted to the region with the waterway from somewhere else in the country. When one region gains \$1 million at the expense of another, the Nation experiences no net gain. Third, the question is not whether one mode of transport will make more money, the question is how to carry traffic at the cheapest cost of social resources. Finally, to the extent that, by generating industry and agriculture, the waterway will carry traffic which would not otherwise develop, this is reflected in the benefit estimate.

SUMMARY

Mr. President, I believe the foregoing amply demonstrates that the corps' new procedures are much better ones, since they are better ways of determining whether society

will obtain the maximum in goods and services at the lowest possible cost. This is not to say that the new procedures are perfect. On the contrary, as I previously indicated, the best method for estimating benefits would not be the use of rate comparisons, but the use of direct comparisons between the real costs of water transportation and the real costs required by alternative modes of transport. And I might mention along this line that the corps, in conjunction with the Bureau of the Budget and scholars at Northwestern University, is currently attempting to develop adequate methods of making direct cost comparisons. But though the corps' present procedures are not perfect, it is a mistake to criticize the corps for abandoning former procedures that were clearly erroneous. Rather, the corps should be congratulated for implementing new procedures for the approval of proposed waterway projects which should save the taxpayers billions of dollars. We should be thankful—especially at a time when the Vietnam war is placing great pressures on certain sectors of our economy—for administrative decisions, such as this one, which cut down on pork barrel public works expenditures.

Mr. PROXMIRE. Mr. President, the old method codified in the language I have read cannot do anything but guarantee an inaccurate picture, for this reason. The proposed method of evaluating the alternative to a proposed waterway would ignore this fact that after the waterway is built, in almost all cases, freight rates would go down because competitive rates would tend to bring them down. And lower rates would increase the traffic on the alternative to the waterway.

Secondly, because of the future development of technological advances and therefore more efficiency, on the alternative method of transportation costs would be reduced, and therefore freight rates would go down.

An inaccurate estimate is certain because the bill requires the corps to freeze freight rate estimates "at the time of the study" for the alternative means.

For these reasons it would seem to me to be far better to adopt the new system of the Corps of Engineers, which provided for an estimate of the future rates for alternative means as well as an estimate of the future rates for the proposed waterway.

However, the bill would require the estimated benefits of the proposed pork barrel to be put on a different and more favorable basis than the alternative means of movement.

Mr. JACKSON. May I respond by making a couple of observations? One rule we tried to adhere to in the committee deliberations on this bill was to avoid making any changes in the substantive laws of transportation, because we are not a substantive committee. The functions of substantive legislation belong in the Public Works Committee and the—

Mr. PROXMIRE. That is my point. That is why I was shocked to see this obvious substantive change in the bill.

Mr. JACKSON. I said earlier, when perhaps the Senator from Wisconsin was absent, in response to questions raised by the Senators from Vermont and Florida, that we were simply maintaining the status quo. We were not changing in this bill the existing criteria that the Corps is following.

I might mention to the Senator that I received a copy of a letter that was sent to Representative KIRWAN, of Ohio, from the Bureau of the Budget, dated August 24, which reads as follows, and goes to this very point:

Mr. Schultze's letter to you of May 4, 1966, stated that the Chief of Engineers were expected to issue new instructions to implement a cost basis of evaluating waterway benefits. Since then, further consideration has been given to the matter and it is apparent that additional study will be required before a new procedure that will insure an improved evaluation of costs can be instituted. Efforts in that connection will continue.

Pending development of such a new procedure, the Chief of Engineers will submit to the Congress reports on navigation projects as developed on the basis of instructions in effect prior to November 20, 1964. The interim procedure promulgated by the Chief of Engineers on November 20, 1964, will be discontinued.

I am sending an identical letter to the other signers of the February 18 letter to the President.

I think that answers the Senator's question.

Mr. PROXMIRE. May I say to the Senator from Washington, that what the Bureau of the Budget letter did, as the Senator from Washington expressed it, was to inform Representative KIRWAN of the discontinuance of the new method adopted by the Corps of Engineers; and the bill seems to be giving a new statutory rigidity to that position.

My only question is why it is necessary to bring this matter up at all in the bill. Why is not the bill silent on it, since it is a substantive matter, as the Senator says, that has nothing to do with the Department?

Mr. JACKSON. The reason, I think, is obvious: The administration sent up section 7, which proposed to change drastically the substantive law.

I do not think we should, in a bill to establish a proposed Transportation Department, attempt to change the substantive law. The committee decided, therefore, after hearing considerable testimony on the subject, that we ought to simply state legislatively what the law is at the present time.

That is all we have done. The letter I have just quoted corroborates my position, because the administration has withdrawn its 1964 directive.

Mr. PROXMIRE. I say to the Senator from Washington with all respect—and I have great respect for him—that this seems to me to be an Alice-in-wonderland argument—"The question is not what a word means. It is who is to be master that counts." The manager of the bill says that this substantive change is not a change.

I say that it is a change because, obviously, if the bill were to be neutral on a substantive change, it should be silent. It should not have anything in it on the subject. It ought to be omitted; we ought to strike the language from lines 7 to 20; is that not correct?

Mr. JACKSON. I think there is enough legislative confusion on this point, not only growing out of the hearings, but because of the directive of 1964, that the action we took, as embodied in

section 7, was definitely warranted. This is my own opinion.

We have not changed substantive law or practice. We have simply codified it and made it clear.

Mr. PROXMIRE. And of course it is the codification itself that changes substances by freezing the Corps of Engineers into an unequal and unfair evaluation method. I ask the Senator from Washington, would it be possible, in his judgment, for the Corps of Engineers to maintain their new system of evaluating projects after this bill passes?

Apparently they feel at the present time that they were able, under the old law, to shift to the new method of evaluating projects, which in my opinion has eliminated a lot of unwarranted pork-barreling.

Mr. JACKSON. They are following the old system. They have the whole matter under review, and will submit it to Congress.

Mr. PROXMIRE. I say to the Senator from Washington, I shall not continue the discussion on this matter, because I understand his viewpoint. We have a unanimous-consent order, unfortunately, on the bill. I did not know about this feature, or I would not have given my consent; and I shall not do so for the remainder of the session on major bills, because of just such developments as this.

I have some comments on other features of the bill; would the Senator rather I wait until he has finished his presentation?

Mr. JACKSON. I would rather the Senator would wait. I am about to run out of time.

Mr. HOLLAND. Mr. President, will the Senator yield briefly for one question?

Mr. JACKSON. I yield.

Mr. HOLLAND. I think the Senator has stated that the committee has not wanted to change existing substantive law. I assume that statement applies to the Bureau of Public Roads, as well as other agencies?

Mr. JACKSON. The Senator is correct.

Mr. HOLLAND. Does that mean that the present law, leaving much of the initiative on the building of Federal aid highways in the States and the State highway departments, remains unaffected by the bill.

Mr. JACKSON. The Senator is correct. We did not make any changes in the grant-in-aid highway program.

Mr. HOLLAND. I thank the Senator.

Mr. JACKSON. Mr. President, at this time I yield the floor, and reserve the remainder of my time.

Mr. MUNDT. Mr. President, before getting into the phase of the bill which has been the subject of most of the discussion today—section 7—may I say that this was not an easy piece of legislation to come by with a unanimous vote of our committee. When it was first presented, a considerable number of questions were raised about it, and arguments presented against it. But, by the slow and laborious process of legislative evolution, and by give and take across the table from one side of the aisle to the other—and, may

I add, by the very competent conciliatory leadership of our friend who has just released the floor, the Senator from Washington [Mr. JACKSON], who was placed by the chairman as sort of the member in charge for the Democratic side of the aisle in trying to work up these various viewpoints—we finally ground out a piece of legislation which has been unanimously approved by the committee.

It does not look very much like the original bill which came over from the House, nor does it resemble too closely the original suggestions sent down from the other end of the Avenue. But I think all hands are agreed that it is a vast improvement over either of those legislative proposals.

Now, I should like to refer for a while to the question raised by the Senator from Wisconsin as to why we have written in section 7, as it appears in the bill, at all. He seemed to feel that it would be preferable just to overlook this matter, which has been the subject of so much discussion today.

Let me go back into the history of that just a little bit, Mr. President, because in my opinion one of the most important changes which we made in the legislation was to write in section 7 precisely as it is. I can assure the Senate that had that not been done, the reported bill, had it come out at all, would have come out with something very different from the unanimous support which it received from the members of the committee.

We were compelled to consider this matter of navigation most carefully, since the House of Representatives had, by amendment offered from the floor, stricken the entire section from the bill. That action left the establishment of the criteria for navigation projects entirely in the hands of the new Secretary of the Department of Transportation.

Since the House did not approve of what they first saw, they simply struck it out, and that would have placed the whole decision in the hands of the Secretary of Transportation, and could very well have meant the death knell for such modes as water transportation; because, since the repeal by Executive order of the criteria established prior to November 1964, as has been said on the floor today, not one navigation project has been authorized.

With that history, and with that manner of administrative approach, which had already stopped all new navigation projects, had we acquiesced in the House position, and said nothing, we would have been inviting disaster as far as any future water navigation projects are concerned. Because we believe that water navigation projects, along with all transportation projects, are part of a great and growing America, and should be considered on their merits on the basis of the evidence available, instead of on conjectural situations and circumstances which may in fact never develop, in my opinion the committee very properly and wisely insisted, by its unanimous vote, in writing in the language, the stipulations, and the criteria found in section 7.

Mr. PROXMIRE. Mr. President, will the Senator yield at that point?

Mr. MUNDT. I yield.

Mr. PROXMIRE. Would not the Senator agree that you have to make a conjecture when you are estimating, and that you are estimating what the rates and the volume of traffic will be on the waterway, as compared with the rates and the volume under the alternative method? If you require the corps to use the present rates on the alternative means, say the railroad, then it seems to me you are almost sure to be wrong, because it is clear, on the basis of all of our experience, that the alternative means of movement will certainly adapt to competition with waterways, and it will reduce its rates.

We know that the alternative method will, in the future, obtain additional traffic. We also know that it will take advantage of technological improvements.

Mr. MUNDT. Mr. President, let me start to answer the questions of the Senator before there are too many of them. Of course, there is conjecture in all kinds of economic planning and developing. Conjecture is involved when we build a highway, a dam, or an irrigation project. Conjecture is involved when we engage in some kind of city improvement program in the city of Milwaukee. Nobody can be sure.

We eliminate, by what we have done here, a situation which permits the railroads to veto entirely a waterway project by conjecturalizing on the fact that if this project were built at that time and under those circumstances, we would reduce the rates. If they can do that, why did they not do it yesterday, last year, or last month?

Why should we give them the right to say: "We will look at the facts and figures and provide such a low rate that obviously you cannot have a cost ratio on such a project."

Mr. PROXMIRE. We would be telling the experts in the Corps of Engineers that they have the freedom to make their own estimates on the basis of their own impartial and expert judgment on what is likely to be an alternative cost.

It seems to me that they are deprived of that freedom when we freeze them into a situation in which they have to take the present cost and the present rate, and base estimates on those factors. That is sure to be wrong. The future is certain to change. So this is sure to load the dice, on the building of the waterway, in favor of pork barrel. I can understand why some Members of Congress want more pork.

But estimates should be built on the basis of the freedom or competent experts to select realistic standards.

Mr. MUNDT. That is what is provided by the committee. We have the experts to do this.

Mr. PROXMIRE. The bill would do it on the basis of using experts, but the experts would not be free to use their best judgment.

Mr. MUNDT. They would take the economic status of the area into consideration.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. AIKEN. Mr. President, it is perfectly sound to take the existing rail rates in estimating whether a waterway is feasible. I think we can be sure that no railroad is going to reduce voluntarily its present rates unless forced to do so by competition or law.

Mr. MUNDT. It should be done before the fact and not after. If they are charging too much for hauling the products of the farmers, they should reduce the rates at that time and not wait for the waterway to become competitive and then favor a lower rate.

Mr. AIKEN. They do not operate that way.

Mr. PROXMIRE. Mr. President, do I understand the Senator from South Dakota to say that the House has stricken that provision?

Mr. MUNDT. The House struck out section 7 altogether, to meet the situation which arose because of a controversial amendment from the floor.

Mr. PROXMIRE. Is the Senator arguing against the House bill and saying the bill should take a substantive position on the evaluation methods rather than confine itself to the organization of the department?

Mr. MUNDT. I think there is a problem involved when we transfer to the Secretary of Transportation the man-made problems and the executive decisions which, I am sure as a great advocate of congressional participation, the Senator would not approve.

Mr. PROXMIRE. Would the Senator from South Dakota agree that when we write in the criteria and say that it must be done on a specific basis because the Corps of Engineers might do something that the Senator thinks they should not do, that that is providing a substantive change? The only way we can avoid that is by saying nothing at all.

Mr. MUNDT. There are substantive changes involved some place because we are shifting to a Secretary of the new Department of Transportation powers which he did not possess before.

Mr. PROXMIRE. We can specify the powers, but this goes much further than that.

Mr. MUNDT. We would have some guidelines and criteria to help him determine his judgment.

Mr. PROXMIRE. Exactly, and the guidelines provided here would be changed. Otherwise it would be unnecessary to have the language incorporated.

Mr. MUNDT. We have no language to cover that. We just said: "Mr. Secretary, go to it." We do not believe that this is a guideline.

Mr. PROXMIRE. This does not merely lift it out of the old law and incorporate it in the new law. This provides that the Corps of Engineers cannot do in the future what they did in the past to provide a better and more equitable method, a method that would eliminate billions of dollars of pork.

Mr. MUNDT. This provides exactly the same guidelines which had existed from time immemorial until September of 1964, when the Johnson administration directed that changes be made. There was such an uproar from all over

the country and from Members of Congress that they very recently rescinded the changes. Therefore, if we give the Secretary of Transportation this power in view of the previous performance of the administration in changing and backing out and changing again and having the right of changing again, we thought it was important that Congress ought to express its opinion that it should not turn the transportation problems over to a man yet to be named and say, "You make the decision."

Congress ought to have some intelligence to bring to bear on this matter.

Mr. PROXMIRE. Rightly or wrongly, Congress is making a change by codifying the system of determining benefits and determining costs, riveting into law the method by which to determine the comparison and the way to determine the benefit-cost ratio.

Mr. MUNDT. That is precisely the pattern that was used throughout history up until September of 1964. We belong to a body in which precedent is very important.

Mr. PROXMIRE. The Senator has taken that decision away from the President.

Mr. MUNDT. Exactly. The Senator is in favor of taking away from the President or the governmental agencies a lot of the powers which they exercise, because Congress ought to have something to say about the manner in which the country is run.

Mr. PROXMIRE. I agree wholeheartedly with that statement, but there certainly are powers that can achieve greater economy. One would be a cutting down on what I think is one of the greatest problems of the country—pork barrel spending. That is the kind of thing that is very hard to deal with because of the way in which we operate in Congress. We want to help each other. However, the old system gave much more discretion to the President to accomplish this on a fairer basis, and a more economical basis.

Mr. MUNDT. We do not achieve much economy when we take the control of pork barrel expenditures and give it to the White House.

Mr. LAUSCHE. Mr. President, is that the key to the whole argument—who is going to have control of the pork barrel?

Mr. MUNDT. The Senator from Wisconsin seems to think it is involved. I do not think it is. I think that Congress can pass on the benefit-and-cost ratios and can scrutinize, on the committee on which sits the Senator from Wisconsin, the manner in which this is handled. This would give him a chance to argue for something that is justified—to see that the situation remains in the hands of Congress where it should be.

I set in my office in Washington, in the Senate Office Building, a series of conferences to try to find out what would be involved.

One of the witnesses we had at that time was former Senator Chan Gurney, a very distinguished former member of the Senate Committee on Appropriations. He came to speak for the Missouri Valley Association.

Mike Cassidy sat in and spoke for the Missouri Valley Association.

Ken Bousquet sat in at my request. He is a clerk of the Public Works Subcommittee of the Senate Appropriations Committee. He has had long experience in this field.

Others came to discuss ways and means by which we might amend this legislation so that navigation projects could move forward when the cost-benefit ratios indicate that they should.

I took the matter up with the chairman of our committee, the Senator from Arkansas [Mr. McCLELLAN].

I found in him a most sympathetic compatriot because he also was interested in the potentialities of water navigation.

I asked him to reopen the hearings so that we could bring in some special witnesses to discuss this particular problem. We did this and they did discuss the matter. We listened to them.

Out of that action came the development of what we now see in section 7. Thus, when it came time to mark up the bill, we were not operating in a vacuum. We had testimony on this particular problem. It had been studied formally and informally. It had been studied in committee and by groups within the committee.

We knew that it was our responsibility to establish some kind of criteria to be used by the Secretary of Transportation as he assumes the great new powers which are delegated to him and disposed of in his office as a result of this proposed legislation.

Navigation is a major function of any total concept of water resource development and therefore, other phases of water resource development should not be influenced by standards and criteria established for application to problems related solely to transportation.

Mr. President, the committee, recognizing these needs for orderly procedure in development of water resource projects, took a sound and proper initial step and acted wisely and prudently, in my opinion, in exempting navigation criteria from this Department of Transportation. This action, Mr. President, maintains the effectiveness of the Corps of Engineers in the planning and development of multipurpose water resource projects.

South Dakota, more than any other State, because of its peculiar geographic location, has been the host to these great multipurpose project dams. We have more of them impounding more water in the Great Missouri Basin than anywhere else in the world, making of the great lakes of South Dakota—man made under the Corps of Engineers—a body of connected water which in depth and in length and in circumference is exceeded only by the natural Great Lakes extending from Chicago to Buffalo. If these were normal times, when Representatives and Senators had a recess or a vacation, I would invite them all to South Dakota, to enjoy the aquatic benefits of this new man made oasis.

We went further than that, Mr. President. Out of an abundance of caution,

the action of this committee also maintains the integrity of the Water Resources Council, which Congress established through enactment of Public Law 89-80. Here we were not cutting new ground. Here we were reaffirming and reestablishing and reemphasizing existing and continuing policy.

Section 7 as we have written it into the bill also spells out specific criteria for determining navigation benefits which evaluate the difference between prevailing freight rates at the time of the study and those which would be charged by the proposed waterway.

In planning for full useage of water in a country like ours with a rapidly expanding population it is wise in my opinion that the committee of the Senate on Government Operations has inserted section 7 into the Senate bill to protect our water projects and river navigation for planning under the Water Resources Council. I urge the Senate to keep the section in this bill and the conferees to stand firm during their conference deliberations because without it I am afraid that the development of this transportation act, in the long run, in this department, may serve America poorly, instead of serving America well.

In my own work on the committee, Mr. President, I concentrated my efforts, during the many weeks and months that we had the matter before us, first as I have just related, in connection with the criteria for the consideration of waterway projects, and second in the area of the human factor, the safety features involved.

In the early days of the discussion before us, representatives of almost all the different modes of transportation came in, greatly concerned about whether or not safety features and investigative features would continue as well as they now operate, whether there might be some chance for improvement, or whether some changes in the bills were necessary.

We listened to two volumes of testimony on that particular point.

I was especially interested in one of those points, because the big channels of transportation in my home State of South Dakota are the airways. I was especially interested that nothing be done to hurt the safety features and the investigative functions of the Civil Aeronautics Board and the groups presently in charge of and patrolling the use of the airways.

I wish to express my appreciation to Senator Jackson for the constructive work he has done in this particular phase, which I discussed with him many times and in connection with which I offered changes and recommendations. I commend him for having come up with final language which I believe is not only satisfactory to the Air Transport Association and those who are intimately involved, but also will tend to protect the traveling public.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. JACKSON. Mr. President, I wish particularly to commend the able senior Senator from South Dakota for his out-

standing leadership in connection with this difficult piece of legislation. I must say that his efforts in no small measure are responsible for the fact that we were able to report this bill unanimously; and I cannot commend him too highly for his constructive amendments, his comments, and his suggestions which made this possible.

Mr. MUNDT. I thank the Senator deeply.

May I say, while we are on this subject, Mr. President, that I send to the desk an amendment which I have discussed with Senator JACKSON. It does exactly what we have been attempting to do throughout this matter: to be sure that nothing interferes with the activities of the Civil Aeronautics Board in its new home.

After the clerk has read the amendment, I believe that the Senator from Washington will concur that we have had a previous conference, and that he will agree that the amendment will be clarifying and helpful. I think that the amendment can be adopted by unanimous consent.

The assistant legislative clerk read the amendment, as follows:

On page 49, line 9, after the word "appellate", insert the words "nor determination of probable cause".

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. JACKSON. Mr. President, this is a clarifying amendment. I think it is a helpful amendment, and I am very pleased to accept this amendment offered by the Senator from South Dakota.

The PRESIDING OFFICER. Do the Senators desire to yield back the remainder of their time on the amendment?

Mr. JACKSON. I yield back the remainder of my time.

Mr. MUNDT. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is an agreeing to the amendment of the Senator from South Dakota.

The amendment was agreed to.

Mr. RANDOLPH. Mr. President, I now send to the desk an amendment.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. RANDOLPH. Mr. President, I ask unanimous consent that the further reading of the amendment be dispensed with at this time.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows: On page 68, line 3, strike out the period, insert a semicolon and the following: "or (6) grants-in-aid programs authorized by law."

Mr. RANDOLPH. Mr. President, for myself and the diligent junior Senator from Oklahoma [Mr. HARRIS], who now occupies the Chair, I present this amendment. I believe that coherence and effectiveness in the development of the transportation policy for the United States is achieved in S. 3010, but I

feel there is an ambiguity remaining in the legislation as reflected in section VII of the bill.

I wish to state for the RECORD that Senator McCLELLAN, as chairman of the committee and as the manager of the bill, and Senator JACKSON, who is ably assisting in the handling of the measure on the floor, have been consulted on this amendment and have agreed to accept the amendment that I have offered.

Mr. President, I commend the able and knowledgeable chairman of the Committee on Government Operations [Mr. McCLELLAN], the distinguished Senator from Washington [Mr. JACKSON], and all the other distinguished members of that committee for their work in bringing forth S. 3010, the measure which would establish a Department of Transportation. They labored long and carefully, and the results of their labor will bring a new concept to the administration of our vital transportation industry.

There is, however, an element of ambiguity, I repeat: section 7 of the bill, which authorizes the Secretary to develop standards and criteria for the investment of Federal funds in transportation facilities or equipment. I refer to the absence of language which would specifically exclude the highway trust fund from this authority. This matter, as I have said, has been discussed with the distinguished manager of the bill [Mr. McCLELLAN], and it is my understanding the amendment which I propose is acceptable.

During the hearings on S. 3010, as is noted in volume 1, page 135, the chairman of the Committee on Government Operations, in an interchange with one of the witnesses during the hearings, Mr. Charles E. Shumate, president of AASHO, expressed his concern for protecting the highway trust fund in the following words:

I think we have a marvelous highway system, and we support it, and I don't want to see that disrupted and that money taken and used for various other purposes. The financing of other programs should come from some other source—perhaps from general revenue. But I don't want to see this system jeopardized or impaired by diversion of its funds.

The amendment which I propose, Mr. President, would provide the assurance which the distinguished senior Senator from Arkansas [Mr. McCLELLAN] considered desirable, by adding on page 68 of the bill, at the end of line 3, after "(5) water resources projects" a new category "(6) grant-in-aid programs authorized by law."

This amendment is consistent with the declared aims of the executive branch as evidenced by exhibit 2 of volume 1 of the hearings, an analysis of section 7 submitted by the administration. In this analysis, on page 147 of this volume of the hearings, the administration states:

2. Nothing in section 7 adds or detracts from the existing statutes applying to the various transportation activities of the Federal Government. For example, neither the general nature nor the scope of the Interstate Highway System could be altered by the Secretary. The Secretary could not change programs already authorized by the Congress.

Further in the same analysis, it is stated on page 149:

The established methods of financing existing transportation programs; for example, the Highway Trust Fund, will not be changed.

Mr. President, the proposed amendment simply provides statutory language to embody the expressed intent of the Chairman of the Committee on Government Operations and the declared aims of the executive branch. In so doing, it specifically retains in the Congress the traditional authority of the legislative branch to determine the scope and magnitude of the investment of Federal funds in the construction of highways.

For the purposes of establishing the legislative history in this regard, I note also that the proposed amendment would apply to the implementation of the study of future highway needs which the Congress authorized last year in Senate Joint Resolution 81 which was enacted as Public Law 89-139.

Is it my understanding that the managers will accept the amendment?

Mr. JACKSON. Mr. President, as I understand the language proposed in the amendment by the distinguished Senator from West Virginia [Mr. RANDOLPH], it is similar to the language in the bill as approved by the House committee.

Mr. RANDOLPH. It does what is done in the House version.

Mr. MUNDT. Does it deal with section 7?

Mr. JACKSON. Yes, it deals with section 7. It relates to the highway trust fund.

Mr. MUNDT. Mr. President, I would like to know what it does.

Mr. JACKSON. This would add a further exemption to section 7.

Mr. MUNDT. This has nothing to do with criteria; it deals only with the trust fund?

Mr. JACKSON. The Senator is correct.

Mr. RANDOLPH. The able Senator from South Dakota is correct in his understanding.

Mr. JACKSON. The proposed amendment is acceptable to the Senator from Washington.

Mr. RANDOLPH. This subject matter has been developed in hearings, and as I have said, I believe it was an oversight; that it was not included, and I have offered the amendment to clarify and make clear the situation as it affects the trust fund for our highway program.

The PRESIDING OFFICER. Does the Senator yield back the remainder of his time?

Mr. JACKSON. Mr. President, I yield back the remainder of my time.

Mr. RANDOLPH. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from West Virginia [Mr. RANDOLPH].

The amendment was agreed to.

Mr. KENNEDY of Massachusetts. Mr. President, will the Senator yield to me for 10 minutes?

Mr. JACKSON. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The

Senator from Washington has 11 minutes remaining under his control.

Mr. KENNEDY of Massachusetts. Mr. President, will the Senator yield to me on the bill?

Mr. JACKSON. I have 11 minutes on the bill. I would be happy to yield one-half of that time to the Senator from Massachusetts, that is, 5 minutes. I think the Senator from South Dakota [Mr. MUNDT] will yield a like amount of time.

Mr. KENNEDY of Massachusetts. Mr. President, I ask unanimous consent to proceed for 10 minutes with the time not charged to either side.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Massachusetts?

Mr. MUNDT. Mr. President, I did not understand the request.

The PRESIDING OFFICER. The request was that the Senator may proceed for 10 minutes, not to be charged to either side.

Mr. JACKSON. Would the Senator from South Dakota yield 5 minutes out of his time?

Mr. MUNDT. Mr. President, I would be glad to yield 5 minutes from our time, and I understand the Senator from Washington [Mr. JACKSON] yields 5 minutes of his time.

Mr. JACKSON. I join in that request, Mr. President.

The PRESIDING OFFICER. The Senator from Massachusetts [Mr. KENNEDY] is recognized for 10 minutes, to be charged equally to each side.

Mr. KENNEDY of Massachusetts. Mr. President, I am pleased to speak in support of S. 3010 which would establish a Cabinet-level Department of Transportation.

Throughout our history, our Government has responded to the emergence of significant social and economic developments by changes in our governmental structure to accommodate them. The most recent example, of course, was the creation in the last session of Congress of the Department of Housing and Urban Development, in recognition of the increasingly urban character of our Nation and the magnitude of our urban problems.

The creation of a Department of Transportation, at this point in our Nation's development, is no less timely or necessary.

Transportation is today a great social force. It affects the life of every citizen. It accounts for one out of every \$6 in our economy; it employs over 2½ million people; it is "the web of union."

But vital as this transportation system is to our Nation, it is not performing adequately. Largely as a result of unplanned growth which has not matched the growth in demand for transportation services, our transportation system is snarled by inefficiencies and waste and congestion and delays. It has grown without adequate coordination of planning between the various modes of transportation and without adequate programs and incentives for initiative and innovation and research and development.

When we consider that our Nation's demands for transportation services will

more than double in the next 20 years, it is obvious that we can no longer continue as we have.

Our goal must be—

As President Johnson has stated it—a coordinated transportation system that permits travelers and goods to move conveniently and efficiently from one means of transportation to another, using the best characteristics of each.

But we will never achieve this objective so long as transportation policy is made and administered as it is now—by a great number of Government departments and agencies, without any real opportunity for coordinated, centralized policy planning.

The bill before us will bring together most of the widely dispersed transportation programs of the Federal Government under a Cabinet Secretary of Transportation, who will have authority to coordinate and relate these programs to the total transportation needs of the country.

This is an historic step. It will provide for the first time an environment for the development of a coherent and coordinated transportation policy, which relates the various modes of transportation to each other and encourages cooperation among the various transportation groups in the country.

The new Department will be responsible for speeding the introduction of advanced technology in this field by promoting research and development with the cooperation of private industry; providing general leadership in the identification and solution of our transportation problems; conducting systems analysis and master planning to determine how we should allocate our resources in the creation of an integrated efficient system of transportation; and recommending policies and programs to Congress and the President to accomplish these objectives.

The broad powers given the new Secretary in section 4 of this bill provide a bold opportunity for this country to build a transportation system equal to the demands of the future.

I think the potential benefits of a Department of Transportation are apparent; I would like to address the remainder of my remarks to one specific area of transportation—domestic civil aviation.

AN AVIATION REVOLUTION

Our present national aviation policy is inadequate to meet the rapid evolution of the new aviation age. Growth in domestic aviation has overtaken even our most farsighted projections. Because we have not had a policy to keep up with this change, we face an air transportation crisis of substantial proportions.

Over the past 15 years, we have witnessed a revolution in aviation, a revolution in technology, and also in demand. The growth in air travel since 1950 has been tremendous and in the past few years can only be described as phenomenal. Aviation is one of the truly great growth industries of the country; its average annual rate of growth during the last 15 years—14 percent—has been almost four times the national average. Airlines have taken over as the most

heavily used form of transportation; they claimed 59 percent of all intercity travel on common carriers last year, outstripping both buses and railways combined. In 1955, U.S. scheduled airlines flew 19.8 billion revenue passenger-miles; 10 years later the figure was two and a half times as great. If rates of growth continue to follow the accelerated pattern of this year, with passenger-miles up almost 25 percent, then by 1970 the figure could be an astronomical 100 billion revenue passenger-miles.

On the basis of this year's figures, American Aviation magazine estimates passenger traffic will double by late 1968 or early 1969. And even more conservative estimates by the Federal Aviation Agency indicate that for every 1,000 passengers now using U.S. airports, there will be from 1,700 to 2,000 passengers using them in 1971; and that for every 1,000 aircraft operations in U.S. airports today, there will be at least 1,600 by 1971 and more than 2,000 by 1975.

This incredible growth is not limited to scheduled passenger traffic. Scheduled air freight traffic last year was a third greater than the year before. General aviation traffic will be up almost two-thirds in the next 5 years, and airline traffic is expected to double in the same period.

The frightening thing about these projected aviation growth rates is that in the past, projected rates have always underestimated actual growth rates. And, considering that the boom in private and business flying and in air cargo has barely begun, and that the introduction of supersonic air transport and jumbo transport has yet to come, our estimates of growth are probably too low.

The extraordinary increase in activity which we know will be forthcoming in the next few years would strain our Nation's airport facilities even if at present they had substantial unused capacity. But in fact many airports are already strained beyond their peak capacity. Many of them, indeed, are strangling on traffic undreamed of only a few years ago.

THE PRESSURES OF OVERCROWDING

Recent newspaper reports on traffic and passenger congestion at Chicago's O'Hare Field and the New York airports, as well as reports sent to me by officials of Boston, New York, and Washington National airports, all indicate that congestion and delays are already almost intolerable. Delays have become so commonplace that one out of every three flights out of Kennedy and two out of every three out of Newark are delayed. The FAA estimates that the cost of such delays to commercial airlines last year was some \$63 million. And the cost of these delays to the air traveler is impossible to compute. But we are all aware that it means lost business opportunities, missed connections, abbreviated holidays, and, as all of us who travel by air know from personal experience, serious frustration and irritation.

Nor is this only a problem of flight delays. The expansion of aviation activities is causing severe congestion at air terminals all over the country—congestion reflected in the long lines at the ticket counter, at the baggage claim area,

in the lobbies, and on the access roads leading to the terminals. It is reflected, too, in the shortage of parking at the airport, which often makes it more time consuming to find a parking place than to fly between New York and Washington.

These are the problems and strains that we are experiencing now. What are these problems and strains likely to be 5 years from now, when already overcrowded facilities are asked to accommodate twice the traffic we have now? Or perhaps, to ask a more practical question, what are we doing now in the way of conscious policy planning to anticipate and alleviate these strains?

Unfortunately, the answer is: pitifully little. Indeed, too few public officials are sufficiently aware or concerned to be giving this problem the attention it deserves.

Here in the Senate, the distinguished Senator from Oklahoma [Senator MONROE], and his Subcommittee on Aviation, are making a valiant effort to focus public concern in this area. But the urgent need for action seems still to be overlooked.

INADEQUATE POLICY

The only national airport policy we have now is reflected in the Federal Airport Act of 1946, and that program is extremely limited. It embodies outdated, static, and incomplete concepts no longer adequate to cope with the explosive growth in demand and technological advance of our new aviation age.

Under the Federal Airport Act, Federal funds are made available to airports on a matching basis to assist in the construction of runways. For the most part, Federal assistance under this program has always been too little and too late. Some administrations have supported the program, with limited appropriations, as necessary to the development of a national aviation system and to the economic growth of our communities and the Nation. Others have sought to have the program ended. An examination of the 20-year history of the program indicates a total lack of consistency in Federal appropriations from year to year, with never more than \$75 million appropriated in any given year and with no funds provided at all in 1958.

And yet it is clear that Federal assistance is needed. This year, for example, O'Hare Airport in Chicago could not expand its facilities because it lacked the resources to match Federal funds. Yet O'Hare is in a far better financial situation than most of the small- and medium-size airports around the country.

As a result of this shortsightedness, local sponsors have never been able to count on planned and timely Federal assistance to meet pressing needs for airport improvements. Moreover, the present program, as now constituted and if continued at current levels, will still be inadequate in at least five major respects.

First, the program offers financial assistance only for necessary runway improvements. It excludes from eligibility the construction and expansion of passenger terminal facilities, which is where one of the greatest needs for assistance will be in the next decade.

Second, the level of assistance is hopelessly inadequate. The appropriation this year is some \$71 million, or about the equivalent of what it would take to build 50 miles of Federal highways. Yet eligible project requests for the past 5 years have been more than double the funds appropriated, and requests now submitted to the FAA for fiscal year 1967 total \$275 million, or almost four times the appropriation.

Third, these requests do not include costs of passenger terminals, parking facilities, access roads and other facilities, so the costs of total needed development are much higher. Between 1960 and 1965, the amount of Federal aid was only 24 percent of total costs and at the larger airports the Federal participation was as low as 10 percent.

Fourth, the act does not reflect any national policy on the important questions of noise abatement and aviation research and development. Nor does it address itself sufficiently to the urgent need for Federal aid to general aviation airports at small communities to support the economic growth and development of these cities.

Fifth, and in my judgment of greatest importance and crucial to all the issues I have just raised, the act does not provide for any comprehensive future planning of our total aviation needs—planning which reflects the needs and the potential of all our transportation systems.

This comprehensive planning, I believe, is the key to the future of domestic aviation.

BLUEPRINT FOR THE FUTURE

The idea of a master plan is not new. The original Federal Airport Act of 1946 specifically sought to provide for the development of a comprehensive system of planning for airports. Since that time, however, this planning concept has evolved into a series of annual reports prepared by the FAA, which serve only to explain the runway additions which will be required to bring about satisfactory safety standards.

This is not the kind of comprehensive planning we need. We need instead a total systems blueprint for the future, which will permit all the key operators of the system—the aircraft manufacturers, the commercial operators, the airway system planners, and the airport operator owners—to look ahead to the demands each is expected to meet, to determine when these needs must be met, and to work constructively toward meeting them in a timely and orderly fashion.

Such a blueprint must be based on sound forecasting of our future aviation requirements. It must reflect a sound forecast of the aviation art, and it must be tempered with an understanding of the state of art for all other modes of transportation, and the relationship among the various modes.

This kind of planning is essential if we are to avoid the extraordinary obsolescence which could result as one or another mode of transportation proves itself most advantageous for a particular portion of our transportation system.

For example, if short take off or landing aircraft—STOL—or vertical take off

or landing aircraft—VSTOL—currently under military development, should prove feasible as a 100 passenger—400 m.p.h. commercial transport mode between the centers of nearby major cities, we must know what effect the introduction of such equipment would have on the existing outlying airports of such cities, and the number and location of new “VSTOL ports” which will be required, and the future equipment inventory of their serving air carriers.

Or, to look at the problem from another direction, we must know what the impact will be on our airport requirements and air carrier system of building a rapid transit ground system to service our Northeast transportation corridor with 200 m.p.h. trains.

Until now the absence of a single authority embracing all of the major forms of transportation has precluded the development of a transportation system which provides the traveler with the maximum advantages of each form.

In the aviation field, this failure is reflected in the fact that it often takes longer to get from the airport to downtown than to fly from city to city, because the location of airports and the development of ground transportation from the airport have been related neither to each other nor to any kind of comprehensive urban planning.

THE IMPACT OF NEW EQUIPMENT

To consider another example of the need for planning: Boeing has introduced a new 747 with seating for 500. Lockheed has a design for a plane seating 800. This means that airports will have to face a number of new problems, such as fast deplaning and emplaning for large numbers of people, and changes in runway weight capacities. There is already evidence before the FAA that the Boeing 727 is causing severe damage to runways—runways which were not designed for these jets and which are not prepared to withstand the impact and stress of jet landings and takeoffs.

Yet under the present circumstances, there is no reason to expect that airports will act to keep pace with changing equipment. After all, there exists no mechanism to coordinate changes in equipment introduced by airlines with changes needed in airport facilities.

THE INDIVIDUAL AIRPORT

There are still other reasons for developing such a plan. For example, the disadvantages of the present system of fragmented individual airport planning is obvious. Except for Dulles International and National Airports in Washington, the public airports of the country are generally under the private control of the municipal area in which they operate. There are 665 such airports in the United States. Therefore there are 665 separate programs of airport development. The only standard development programs that exist nationally for all airports apply to the safety instruments required by the FAA, as well as certain requirements that must be met under CAB regulations.

Because there is no master planning of the entire aviation system, it is impossible for any individual airport to

guage its future and to anticipate its most effective program of development. And as a result many airports have not kept pace with the jet age. My distinguished colleague from West Virginia [Senator RANDOLPH], has recently pointed out that more than half of this country's 220 trunkline airports cannot accommodate commercial jets, and they face possible obsolescence unless action is taken both to upgrade their facilities and to develop jet equipment to serve intermediate and small community airports. Coordinated master planning in this area would save money and time—and it would allow airports to allocate their scarce resources in the most productive way.

Master planning would also help alleviate the problems that individual airports experience in making major improvements. An improvement such as a new runway at a metropolitan airport will require anywhere from 4 to 10 years from conception to completion. But unless airport operators have reliable data on their future needs, it is unlikely that they can make provision for adequate lead time to construct needed improvement or expansion. A master plan, based on forecasts of their future plans by the major airlines, would prove invaluable to programming of airport facility improvements.

Moreover, a master plan could help solve the problem of increased congestion at all the major terminals by determining which general aviation has to be siphoned off to general aviation airports, and how much of it. It would also provide advice on scientific advancements which would be particularly helpful in increasing airport capacity. Existing airport capacity can be greatly expanded with the help of new developments such as instrumentation of airports for all weather operations, installation of improved airport lighting, widespread use of standard instrument departures, introduction of mosaic radar, and replacement of the present system of manually controlled separation of aircraft landing and takeoff by automated sequencing systems. The improvement of aviation techniques has historically provided a continuing increase in airport capacity beyond forecast predictions. Master planning would help to increase this capacity, and thereby decrease congestion.

A PLANNING AGENCY

For all these reasons, we must have a mechanism for long-range systems planning of our domestic aviation program. The logical place to rest responsibility for the formulation of such a systems blueprint would seem to be in the Federal Aviation Agency. The FAA already has responsibility for four on-going programs directly related to such a master plan—aircraft certification, operation and control of our Nation's airspace, the terminal-aid establishment program and the Federal-aid to airports program. In each of these areas, the existence of a blueprint along the lines I have mentioned could provide the guidelines for program policy planning.

Before today, the FAA had never been given the statutory mandate to develop

such a plan. And since the FAA is a separate agency, set apart from other governmental transportation functions, and lacking a Cabinet voice, there is some doubt that it could adequately have performed this function.

But with the creation of this Department, containing the FAA as one of its most influential components, the time seems right to establish such a mechanism for planning.

The statutory mandate has been given the Secretary of Transportation in section 4(a) of the bill to "exercise leadership—in transportation matters"; to "develop national transportation policies and programs" and to "promote and undertake the development, collection and dissemination of technological, statistical, economic, and other information relevant to transportation." Certainly this mandate seems broad enough to justify the Secretary directing the FAA to construct the kind of systems blueprint I have outlined. And there is no question, as former FAA Administrator Najeeb Halaby concluded, that the FAA could get better solutions to problems which also involve other forms of transportation if it were a part of a Department of Transportation.

Section 4(a) of the bill also gives the Secretary and therefore the FAA the authority to "consult with the heads of other Federal departments and agencies—

To encourage them to establish and observe policies consistent with the maintenance of a coordinated transportation system operated by private enterprise.

In addition, the bill in section 4(g) provides for the coordination and cooperation with the Department of Housing and Urban Development necessary to insure that transportation policy is developed in concert with other modes of transportation as a part of an overall program of urban planning.

AVIATION MASTER PLAN

Therefore, I strongly recommend that the President and the new Secretary seize upon the opportunity presented by enactment of this bill to direct the FAA to assume responsibility for formulating a master plan for the national air transportation system.

I am not suggesting by this proposal that the Federal Government take over control of domestic civil aviation. At the present time, for example, Federal authority to require an air carrier to operate equipment compatible with existing or planned airports does not exist. And I am not arguing that it should exist. But neither do I believe that manufacturers, airline and airport operators and Government officials should any longer be forced to operate in the dark, often making decisions involving billions of dollars without the benefit of the leadership, coordination and common direction that a long-range systems blueprint could provide.

I have spoken or corresponded with a great number of the parties whose participation and cooperation in the development of such a plan would be essential. I believe there is a strong consensus in its favor, and a broad willing-

ness to cooperate. Generally speaking, there seems to be a recognition that a crisis is upon us and that cooperative, long-range system planning is in the best interests of all.

MORE FUNDS FOR AVIATION

The establishment of this new Department of Transportation should also contribute to aviation receiving a larger share of Federal financial resources. Aviation along with every other method of transportation will be supported and regulated by a member of the Cabinet. If we bring together under one head all the principal transportation forms and build a systems blueprint, we should be able to allocate resources to transportation in a less haphazard manner, focusing on priorities, and cost benefits, and relating our Federal transportation investments to the future needs of the Nation.

The legislation before us specifically provides for the formulation of transportation investment standards, and I hope that when the Secretary of Transportation presents to the Congress a balanced program for Federal assistance to transportation his requests will include imaginative and realistic financing proposals to meet our growing aviation needs.

I have already touched upon the inadequacies of our present Federal direct grant assistance program—both as to scope and level of funding. As the Commerce Committee made clear in its report No. 1282, on the bill extending the Federal Airport Act for the next 3 years, the committee recognized the need for greater fundings. But in the face of the inflationary pressures and other high priority Federal commitments it could not see its way clear to authorizing more than the administration asked for.

Without getting into the merits of that judgment, I think it is fair to point out that unless we find ways to allocate more resources to meet our growing aviation needs—and find them soon—the results in 5 years may well be chaos. And the impact will be felt not only by the aviation industry. It will be felt throughout the economy, for aviation has become an indispensable part of our national transportation system and is vital to the well being of every citizen. I tend to agree with Mr. Halaby's conclusion that, had aviation been represented by a Department of Transportation, the level of funding for this year's Federal Airport Act might well have been higher.

FEDERAL AIRPORT LOANS

But, in any case, I urge that as one of its first tasks, the new Department review this problem of financing, and in particular consider the feasibility of establishing a Federal airport loan assistance program to supplement the existing program of direct assistance.

A joint study by the Airport Operators Council, the American Association of Airport Executives and the National Association of State Aviation Officials forecasts that airport development needs for the last half of this decade—almost 2 billion—will exceed expenditures made in the first half of the decade by more than 50 percent; at the present level of

Federal assistance, more than 85 percent of this greatly increased expenditure must be provided by local and state sources.

According to a recent FAA survey, over the next 5 years approximately 250 communities currently served by scheduled air carriers and forecast to receive jet service will have to finance substantial additional airport development. The survey estimated total costs at \$261 million. This does not include the cost of passenger terminal facilities, most of which would be required at small and nonhub airports and small hub airports serving metropolitan areas of 100,000 to 500,000 in population. And up to 20 major hub airports will have to engage in substantial terminal area development in order to accommodate the increased capacity aircraft of the future. These growing airport development needs far exceed the financial ability of local governments to meet them.

A 1965 report of the Airport Operators Council International indicates that 73 percent of past financing for local and State projects came from revenue bonds. Yet the report also points out that the ability to float bond issues which pledge future airport revenues to their retirement is almost exclusively limited to a relatively few of the Nation's major airports; and that general obligation bond issues, although generally possible at large and medium hub airports, are rarely possible at small and nonhub airports.

More assistance for airport capital financing is therefore critically needed. It seems wise to make such assistance available through a system of Federal loans to local and State governments, as an adjunct to direct Federal aid, in order to enable capital development to proceed which would otherwise be delayed or cancelled because of the inability of the operating authority to otherwise arrange for the required financing.

The time for beginning such a loan program is now. The jumbo aircraft will be introduced in quantity into the aviation system during the 1970-75 period and jets are being introduced into the local service system now. The leadtime necessary for a terminal to accomplish needed changes while at the same time remaining operational ranges from a minimum of 3 years upward to 7 years. Thus airports must begin now if facilities are to be available to accommodate the volume and type of aircraft operating in the system. Although the loans would still require the State and local governments to spend a great deal of money, the improvements resulting from the loans are directly related to increased airport revenues and the airports ability to repay. Likewise, it would aid local governments to match Federal aid to the same degree that they could seek and obtain funding from other sources for the purpose, and do so at lesser cost.

LOANS FOR GENERAL AVIATION AIRPORTS

I also call upon the new Department to consider the desirability of instituting a Federal loan program to private general aviation airports and to State and

local governments which wish to develop general aviation airports.

As CAB Secretary Richard Sanderson points out:

The greatest percentage increase in air traffic activity over the past ten years has occurred in the field of general aviation. This increased activity has diminished the ability of large hub airports to accept additional air carrier traffic. It is most important, therefore, that greater emphasis be placed on the development of additional airports to be used by general aviation.

The FAA forecasts that by 1971 general aviation will represent 77 percent of total aircraft operation, and will account for nearly 23 million operations just at the Nation's airports with control towers—300—more than double the number for public airline movement. This general aviation traffic is important; it serves the needs of business flying, air taxi service, aerial applicators, mail carriage, forest fire protection, and many others. Yet the intermingling of scheduled air carriers, general aviation and military aircraft within the same airport and operating from the same airport has serious shortcomings as traffic grows. It adds to congestion, delays and inefficiencies. It increases the danger of air travel. And these problems will worsen as traffic increases.

SATELLITE AIRPORTS

I believe one solution to this problem is to encourage the building and expansion of general aviation airports, as satellite airports on the perimeter of large cities, to siphon off general aviation aircraft from the large passenger terminals. The outstanding example of how effectively this method can work is the example of the Minneapolis-St. Paul metropolitan airport system. Their plan went into effect 20 years ago. Their efforts to separate the different kinds of flying have been highly successful.

The airport network owned and operated by the commission of Minneapolis-St. Paul now consists of six fields—Wold Chamberlain, which accommodates seven scheduled air carriers; and five smaller airports located around the metropolitan area. The benefits of operating this coordinated complex have been reflected in safety, economics, and greater capacity. During a period of extreme aviation growth the operations at Wold Chamberlain Field have decreased to 222,000 in 1965.

The system of Minneapolis-St. Paul effectively separates general aviation aircraft, mainly small planes, from the larger, high performance planes used by the scheduled airlines. By providing attractive, conveniently located, and less costly facilities for general aviation at the five secondary airports, Minneapolis-St. Paul has succeeded in drawing the general aviation aircraft to those fields.

The ability to preserve and protect the entire metropolitan area airspace is thus a fundamental result of this coordinated system. And it has been done without moving airports too far from the population centers.

The Minneapolis-St. Paul is a successful, long-range plan for orderly separation of air traffic. It guarantees substantial capacity for fast growing gen-

eral aviation. It assures the scheduled carriers of facilities at the major airports to accommodate the larger number of passengers which they have forecast. And it provides safety, efficiency, and economy, both on the airport and in surrounding airspace.

Other metropolitan areas have exhibited the same farsighted air planning in the public interest. While the Twin Cities of Minneapolis-St. Paul have distributed 73 percent of their total aviation movements to five smaller airports, Los Angeles distributes 81 percent of its total air traffic to its six smaller airports, and Pittsburgh distributes 54 percent of its total aircraft movement to its one smaller airport.

The Port Authority of New York has not developed a plan for general aviation airports in the New York area. By 1965, small plane movements at three major airports rose to fully 27 percent of their total airport operations. By 1980, they are predicted to represent one-third of total airport traffic at the air carrier airports in New York.

In my own State of Massachusetts a large percentage of Boston-bound general aviation aircraft land at Logan International Airport. Much of this general aviation is concerned with the transportation of industrial materials. Boston industrialists, and industrialists throughout the country, have increasingly found it an advantage to own and operate their own planes for the transportation of their employees, and critical raw materials and finished goods.

Today there are approximately 40,000 of these private industry-used airplanes, which is more than 20 times the number of commercial airline aircraft. These general aviation planes fly five times as many hours as all the commercial carriers combined. In dollars they represent a great contribution to the national economy. In the past year the sale of planes to industry for general aviation use is double the sales of planes of the previous 2 years.

But in Boston the cargoes brought into Logan must be placed on buses and trains and transported through the city to the great industrial complexes around Boston, for example, route 128. This additional transport cost is an added expense for producers.

If there were general aviation airports on the periphery of the Boston area, industry-owned planes could fly directly to the airports closest to the area of the industries concerned. The electrical industry, which likes to transport its products by air, would particularly benefit from having its products shipped in and out of an airport closely adjacent to its factories. With the use of general aviation airports, the added expense of transporting goods through Boston would be eliminated and congestion at the Boston airline airport would be eased.

Two-thirds of all the airports in the United States are privately owned. But many of them are going out of existence because of the profit incentive to sell to real estate developers and the fact that they do not have the financial capability to develop their airports. In the absence of Federal guaranteed loan assistance,

many more will probably disappear and certainly fewer cities will be willing to acquire and develop the system of small airports needed in their area. Many small cities that have heretofore been served by a private airport will be without any airport at all.

Providing loan assistance to general aviation airports is not unprecedented. Federal moneys can be spent under EDA and Appalachia for the development of general aviation airports. The problem is that under the present administration's policy applied to the Federal programs, aid to general aviation airports is a very low priority.

Federal loan programs for the expansion and development of terminal facilities and general aviation airports would not only increase the capacity of existing airports and ease the burden of meeting future needs that will have to be shouldered by local and State governments. It would also help to ease airport congestion on the ground and in the air.

AIRCRAFT NOISE ABATEMENT

The new Department must also take decisive action to deal with aircraft noise, which has become an increasingly serious social problem. With the growth of air travel and the introduction on a large scale of jet aircraft, more and more people are suffering annoyance and irritation from the noise of aircraft taking off and landing or flying overhead.

At the present time, this problem is most acute in the immediate residential areas surrounding our largest airports. But as jet service becomes more widespread, and still larger jet craft are introduced into service, there can be no question that the problem will become still more critical.

The President's Office of Science and Technology released several months ago an excellent study on jet aircraft noise. Its principal conclusion was that the Federal Government was the proper party to supply the initial impetus for the research and development necessary to deal with this problem.

I concur in this conclusion and I am therefore pleased to note that section 4(a) of the bill before us specifically authorizes the Secretary of Transportation to promote and undertake research and development relating to noise abatement, with particular attention to aircraft noise.

I interpret this language as a mandate for action, and I call upon the new Department to assign an urgent priority to this task.

The FAA has already begun a noise abatement program and established a noise abatement staff to undertake a concerted effort to alleviate the problems of airport noise.

As a part of the new Department, this work of the FAA must be continued and expanded. At a minimum a sample study, using systems analysis techniques, should be made of a representative number of airports, and completed within a year. As a result of this study, it should be possible to formulate a comprehensive program which sets airport noise measurement standards and develops

new landing approach procedures, and new methods for reducing engine noise.

The Federal Government has the responsibility for research and development in this area. I believe eventually it will also have to find means for developing and assisting in financing a comprehensive program which places responsibility on local communities for the reduction of community airport noise problems through compatible land use programs in the vicinity of airports. This would involve land acquisition and redevelopment to uses to which the noise is not a problem.

I have touched on only some aspects of the new opportunities which creation of this Department presents to the aviation field. Similar opportunities are provided for the other modes of transportation as well. If we are to capitalize on these opportunities, we must act now to pass this legislation establishing this new Department.

I am confident that the matters I have discussed will receive the careful attention they deserve in the new Department and that new legislative proposals to meet our pressing aviation needs will be presented to the President and the Congress at the earliest possible opportunity.

I want to thank the Senator from Washington and the Senator from South Dakota for yielding to me.

Mr. JACKSON. I wish to compliment the able Senator from Massachusetts for his helpful remarks on the bill concerning transportation policy.

Mr. BREWSTER. Mr. President, for myself and the distinguished Senator from Louisiana [Mr. LONG] I send to the desk 10 amendments to the pending bill and ask that they be stated en bloc.

The PRESIDING OFFICER. Is there objection to the reporting of the amendments en bloc?

Mr. MUNDT. Mr. President, may I ask the Senator from Maryland, Do they all pertain to the same subject matter, or are they scattered throughout the bill?

Mr. BREWSTER. They are all on the same subject matter but they are scattered throughout the bill. I intend to explain them.

Mr. MUNDT. But they all deal with the same general subject?

Mr. BREWSTER. They all deal with the Maritime Administrator.

Mr. MUNDT. I have no objection, Mr. President.

The PRESIDING OFFICER. The amendments will be stated en bloc by the clerk.

Mr. BREWSTER. Mr. President, I ask unanimous consent that the reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and the amendments will be printed in the RECORD at this point.

The amendments submitted by Mr. BREWSTER are as follows:

1. Page 36, line 25, Subparagraph 1 of subsection (e) of Section 3: Strike the words "The Secretary shall establish * * *" and insert in lieu thereof the following: "There is hereby established * * *".

2. Page 37, line 24 through page 38, lines 1 through 3, Subparagraph 3 of Subsection (e) of Section 3: Strike the language to be

found in Subparagraph 3 appearing on page 37, lines 24 and 25, through to page 38, lines 1 through 3, inclusive, and insert in lieu thereof the following: "The Administrators and the Commandant of the Coast Guard shall carry out such functions, powers, and duties as are specified in this Act and such additional duties as the Secretary may prescribe."

3. Page 41, line 21, Subsection (c) of Section 4: Strike the term "Orders" and insert in lieu thereof the following: "Except as otherwise provided in this Act, orders * * *".

4. Page 42, line 7, Subsection (d) of Section 4: Strike the term "In" and insert in lieu thereof the following: "Except as provided in this Act, in * * *".

5. Page 50, line 2, Subsection (a) of Section 6: Strike the term "There" and insert in lieu thereof the following: "Except as limited and restricted herein, there * * *".

6. Page 54, line 9, Subparagraph (B) of Paragraph (5) of Subsection (a) of Section 6: Add to the end of Subparagraph (B) the following: "Decisions of the Federal Maritime Administrator made pursuant to the exercise of the functions, powers, and duties enumerated in Subparagraph (A) of Paragraph (5) of this Subsection, but not including the functions hereafter transferred to the Maritime Board in Subparagraphs (C) and (D) of this Subsection, shall be administratively final, and appeals as authorized by law, including this Act, shall be taken directly to the Courts. In the exercise of his functions, powers, and duties, the Maritime Administrator shall be independent of the Secretary and all other officers of the Department."

7. Page 54, line 19, strike the terms "The administration of * * *" and insert in lieu thereof the following: "All functions relating to findings and determinations with respect to loan and mortgage insurance under * * *".

8. Page 66, line 22, Subsection (h) of Section 6: Strike the terms "Notwithstanding any other provision * * *" and insert in lieu thereof the following: "The provisions of the Administrative Procedure Act (60 Stat. 237; 5 U.S.C. 1001 et seq.) shall be applicable to proceedings by the Department and any of the Administrations or Boards within the Department established by this Act except that notwithstanding this or any other provision * * *".

9. Page 67, line 16, Subsection (a) of Section 7: Insert the following immediately after the term "Secretary": " * * *, subject to the provisions of Section 4 of this Act, * * *".

10. Page 75, lines 14 through 17, Paragraph (1) of Subsection (f) of Section 9: Strike the language to be found on lines 14 through 17, inclusive, and insert in lieu thereof the following: "Except where this Act vests in any Administration, Agency or Board, specific functions, powers, and duties, the Secretary may, in addition to the authority to delegate and redelegate contained in any other Act in the exercise of the functions transferred to or vested in the Secretary in this Act, delegate any of his residual functions, powers and * * *".

Mr. BREWSTER. Mr. President, I will explain the amendments.

The PRESIDING OFFICER. How much time does the Senator yield himself?

Mr. BREWSTER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Maryland will state it.

Mr. BREWSTER. What is the unanimous-consent agreement?

The PRESIDING OFFICER. Fifteen minutes to each side on each amendment.

Mr. BREWSTER. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from Maryland is recognized for 10 minutes.

Mr. BREWSTER. Mr. President, before explaining the amendments, I should first like to congratulate the Senator from Washington on his very able presentation of the entire bill. I should also like to comment on the bill generally.

Mr. President, the pending bill, S. 3010, if enacted, would have a tremendous and incalculable impact upon our economy. It contemplates gathering into one department most of the agencies which are concerned with our national transportation system. It is conceivable that this consolidation of transportation agencies could have a healthy and far-reaching effect, and result in a coordinated transportation system. For this reason, there are few who disagree with the announced objective of this legislation. No sane person could oppose a carefully, wisely, and scientifically coordinated transportation system which would enable the components of our economy to transport people and goods to all parts of our land, and to all parts of the globe.

However, the actual bill before us, S. 3010, shows on its face that it is the product of undue haste and great confusion. Many of its provisions are contradictory. Many of them have not been properly integrated into the bill itself, or coordinated with the requirements of the legislative objective.

Let me point out a few examples:

Section 4(b)(2) of the bill provides:

Nothing in this Act shall be construed to authorize without appropriate action by Congress, the adoption, revision, or implementation of any transportation policy, or investment standards or criteria contrary to or inconsistent with any Act of Congress.

The last clause which I have emphasized says, if language has meaning, that the proposed Secretary of Transportation cannot change Government investment standards or criteria contrary to existing law without appropriate action by Congress. But section 7(a) provides:

The Secretary shall develop and from time to time in the light of experience revise standards and criteria consistent with national transportation policies, for the formulation and economic evaluation of all proposals for the investment of Federal funds in transportation facilities or equipment . . .

If language has any meaning, the provision I have just quoted means that the Secretary, based on his own experience, without resort to Congress, can adopt and implement investment standards contrary to existing law without appropriate action by Congress. If these two provisions are not in direct and irreconcilable conflict, then light is dark, and sweet is our.

Section 3(e)(1) provides that the Secretary shall establish within the proposed Department a Highway Administration; a Railroad Administration; a Maritime Administration; and an Aviation Administration.

Section 3(e)(3) provides that the Administrators, and so forth, shall carry out such functions, powers, and duties as the Secretary may prescribe and such additional functions, powers, and duties as specified in this act.

If language has meaning, this subsection means that the Secretary will be the head of the Department, that the Administrators will be his subordinates, and that they shall perform as he directs them.

Section 6(c) provides that:

Decisions of the Federal Aviation Administrator made pursuant to the exercise of the functions, powers, and duties enumerated in this subsection . . . shall be administratively final, . . .

If language has meaning, this provision would create an Aviation Administrator who was administratively independent of the Secretary.

Such examples could be multiplied indefinitely.

But, in my opinion, the most serious defect of the legislation is that the Maritime Administration—as distinguished from the Maritime Board, which has subsidy functions—would be buried in the proposed new Department without independence, without power, without the means of formulating policy, devising programs, or facing up to the tragic demise of the American-flag merchant marine which, and I do not exaggerate, is now in its last throes.

With respect to the Maritime Administration, the pending bill is confusing beyond description. For example, section 6(a) in the prefatory language would transfer all functions, powers, and duties with respect to existing maritime law, listed in section 6(a)(5)(A), to the Secretary of Transportation.

Section 6(a)(B) transfers the same functions, powers, and duties to the Federal Maritime Administrator. To transfer power by statute to two separate officers is to fall between two stools.

If this legislation is enacted, who will formulate maritime policy, who will administer it, who will save the American merchant marine? I challenge the authors to answer these questions.

Under this legislation the Maritime Administrator would be what he is now, a mere office boy, carrying messages to and from the Secretary. He would have no independent power of decision. Every action of his would be appealable to the Secretary of Transportation who has manifold other duties to perform and will therefore be unable to dedicate himself to the revival of the American merchant marine.

Certainly, it is unnecessary for me to recite the facts and figures which prove that the American merchant marine is now near demise. Our ships carry less than 10 percent of our foreign commerce. Our tramp ships carry about 5 percent of our international bulk cargoes, which constitute by far the biggest percentage of our foreign trade. Our tankers, many of them new and efficient because they were built to meet the Suez crisis, carry about 3 percent of our oil imports. These bulk cargoes constitute the sinews of war. It is therefore no exaggeration to say that our national defense depends upon foreign-flag ships. The availability of foreign-flag ships to us in time of crisis is a myth and a delusion, and this fact has been proved by every crisis in our history, including the confrontation with Russia in Cuba and the Vietnam war. The ships of many of our allies are now carrying

indispensable cargoes to North Vietnam. The ships of our allies have refused, in several instances, to carry our military cargo to South Vietnam. To depend upon foreign-flag ships in the event of war emergency is like asking the enemy for aid and assistance.

I have therefore prepared a series of amendments which would constitute a Maritime Administration, within the Department of Transportation, which would be independent, which would be invested with decisional finality, and which would be capable of meeting the maritime emergency which threatens us.

Section 3(e)(1) provides that the various administrations, which I have enumerated, would be established by the Secretary. This means, of course, that he could delay such establishment or, presumably, having established an administration, could disestablish it. My first amendment would establish the administrations by statute.

Section 3(e)(3) provides that the Administrators, and so forth, shall carry out such duties as are prescribed for them by the Secretary, and such other duties as are specified by the act. This wording, in my judgment, undermines the independence of all the Administrators. My second amendment, therefore, would provide that the Administrators and the Commandant of the Coast Guard shall carry out such functions, powers and duties as are specified in this bill and such additional duties as the Secretary may prescribe. The purpose of the amendment is to vest, by statute, the primary functions, powers and duties in the appropriate Administrators and the Commandant, and then authorize the Secretary to prescribe additional duties.

Section 4(c) provides that orders and actions of the Secretary or the National Transportation Safety Board shall be subject to judicial review to the same extent that the agencies now performing these functions are subject to such review. This is in conflict with other sections of the bill which give greater administrative and decisional independence than the agencies now performing these functions have. My amendment would attempt to reconcile this conflict by providing that no existing law granting judicial review shall be in conflict with the provisions of this bill.

Section 4(d) provides that the actions of the Secretary, the Administrators, and the Safety Board shall have the same authority as is now vested in the agency performing the functions transferred to the proposed new Department. In the case of the Maritime Administration, as now constituted, the actions and the decisions of the Administrator have no finality, but are all appealable to the Secretary, who frequently overrules them. There will be no improvement in the functional efficiency of the Maritime Administrator if this appeal to the Secretary is left intact. My fourth amendment would therefore provide that the independence invested in the Maritime Administration, as in all other administrations, would not be eroded or destroyed by the lingering of old and futile appeals.

As I have previously stated, the prefatory language in section 6(a) transfers

and vests in the Secretary all functions, powers, and duties of the Secretary of Commerce, including the maritime functions. In order to reconcile this prefatory language with an independent maritime agency, my fifth amendment would therefore insert at the beginning of section 6(a) the language "except as limited and restricted herein," so that the independence of the Administrations would be clear and unambiguous.

Section 6(a)(5)(B) of the bill would transfer to the Federal Maritime Administrator the functions, powers, and duties of the Secretary of Transportation under section 6(a), but there is no definition or explanation of the extent of the powers or the degree of independence of the Federal Maritime Administrator. My sixth amendment would therefore provide that decisions of the Administrator would be administratively final, and that such appeals as are authorized by law, including this bill, would be taken directly to the courts. This would eliminate the unnecessary and frustrating right of appeal from the Administrator to the Secretary. In drafting this amendment I have used the language of the bill as applied to the Federal Aviation Agency, the National Transportation Safety Board, and the other Administrations. The amendment would also expressly invest the Maritime Administrator with independence of the Secretary and all other officers of the new Department in the exercise of his functions, powers, and duties.

My seventh amendment relates to the powers of the proposed Federal Maritime Board, which would be charged with the duties of administering the construction and operating differential subsidies of the 1936 act, as well as title XI of the same act which provides for mortgage insurance. The amendment refers only to the language of the bill relating to title XI, and would invest the Maritime Board with the functions of findings and determinations with respect to loan and mortgage insurance, rather than administration.

My eighth amendment is a perfecting amendment to section 6(h) of the bill, and would simply provide that the Administrative Procedures Act shall be applicable to proceedings by the Department and all of the components.

My ninth amendment is designed to reconcile the conflict I previously pointed out between section 4(b)(2) and section 7(a) with respect to investment standards. It would insert after the word "Secretary" the language "subject to the provisions of section 4 of this act."

My 10th amendment is designed to clear up another confusion in the existing bill. While the bill, as we have seen, purports to transfer, not only to the Secretary, but to the Maritime Administrator, certain specific functions, powers and duties, section 9(f)(1) purports to authorize the Secretary to delegate and redelegate all authority covered by the act at his discretion. My amendment would provide that, where specific functions, powers and duties are transferred by the statute to specific administrators, the Secretary would have no authority to disregard the statute and engage in discretionary delegations and redelegations.

Mr. President, Senators will remember that the House of Representatives passed a bill which established an entirely separate maritime agency. My amendments would do this also. We would continue under the overall authority of a Secretary of Transportation with the four basic administrators of trucking, planes, rails, and ships. But in the case of shipping, we would put it on an equal basis with the authority which the other three administrators have. Most of the amendments I have pertained solely to the authority of the Maritime Administrator to determine what degree of independence, if any, he is to have.

The amendment that sets this out is amendment No. 6 on page 1 of the amendments which I have sent to the desk. In brief, this amendment states:

Decisions of the Federal Maritime Administrator made pursuant to the exercise of the functions, powers, and duties enumerated . . . shall be administratively final and appeals as authorized by law, including this Act, shall be taken directly to the Courts. In the exercise of his functions, powers, and duties, the Maritime Administrator shall be independent of the Secretary and all other officers of the Department.

Mr. President, I think these amendments establish a reasonable compromise between the position of the administration and the House bill. I believe that the amendments, if accepted by the Senate and by the Senator from Washington, will, of course, be acceptable to the House of Representatives.

Thus, we will have an overall transportation bill with a new Cabinet officer—a new Secretary—but we would also have an effective way to deal with our merchant marine policy.

Mr. BARTLETT. Mr. President, will the Senator from Maryland yield?

Mr. BREWSTER. I am happy to yield to the Senator from Alaska.

Mr. BARTLETT. I desire to congratulate—and heartily—the Senator from Maryland for offering the amendments which, in my judgment, are absolutely necessary in order that the maritime industry may have proper representation within the new Department, and that the Administrator may have authority, as has been pointed out, on a parity with those responsible for other modes of transportation.

As the Senator has pointed out, he has not even sought to do that which the House did by its vote; namely, to divorce the Maritime Administration from the new Department of Transportation entirely. He has taken another course, a course which, I trust, will be acceptable to the committee. It would be my hope that the Senator in charge of the bill will be willing to accept the modified amendments and, if this is done, I am confident that the maritime industry and its whole structure will have an opportunity not only to survive but also to grow and to expand—which is so essential to the best interests of this Nation—in a manner that otherwise would not be possible.

I believe it would not be possible under the present language.

Once more, I think the maritime industry owes a debt of gratitude to the

Senator from Maryland for saying what he has said now and for offering the amendments.

Mr. BREWSTER. I thank the distinguished Senator, chairman of the Merchant Marine and Fisheries Subcommittee of the Commerce Committee, for his comments.

I wish to ask the manager of the bill, the Senator from Washington [Mr. JACKSON], if these amendments would be acceptable.

Mr. JACKSON. Mr. President, first of all, I want to associate myself with the remarks of the able Senator from Alaska regarding the interest and leadership of the Senator from Maryland [Mr. BREWSTER] in the whole maritime field. I know of his long and continuing concern with this problem. I do not know of any area of transportation where there is a greater need to resolve a more troublesome situation than in the maritime field.

I regret I cannot accept the amendments presented en bloc in their present form. To accept the amendments now before the Senate would establish a situation in which we would be putting the Federal Maritime Administrator in a special category. He would be completely isolated from the Secretary of Transportation. He would have authority that would go far beyond the authority of the other modal administrators.

I would accept an amendment to his amendment, which he could offer as a separate amendment, if he wished, to give to Maritime Administrators decisions of administrative finality where he is engaged in those functions which call for notice and hearing.

This is the whole philosophy we have tried to adhere to in this bill. In other words, where there is a quasi-judicial proceeding, the modal administrator's decision would be final, and the appeal would be directly to the court. That makes sense. This is what we have provided as to the other modes. I do not think an appeal should be routed first to the Secretary and then to the court.

As to quasi-judicial matters, this is a field in which the Administrator should have authority. We have given such authority to the other modal Administrators. I cannot, in my mind, justify an exception.

However, I would be willing to accept the amendments that are in the nature of technical amendments which the Senator from Maryland has presented. I will take them to conference. I have not had an opportunity to go into the technical amendments. I received them about noon today. They require careful review.

Mr. BREWSTER. I thank the Senator from Washington. Of course, I would prefer to have my amendments accepted as originally presented. I believe the Maritime Administrator should have independence of action, which he would have under my amendment. It is my understanding the amendments are not acceptable, but that if I modify one of them, they would be acceptable. I believe I have a right to modify my own amendment.

Therefore, I ask the clerk to strike out

in its entirety amendment No. 5, and to rewrite amendment No. 6, as follows:

Page 54, line 9, Subparagraph (B) of Paragraph 5 of Subsection (a) of Section 6: Add to the end of Subparagraph (B) the following: "Decisions of the Federal Maritime Administrator made pursuant to the exercise of the functions, powers, and duties enumerated in Subparagraph (A) of Paragraph (5) of this Subsection, which involve notice and hearings, but not including the functions hereafter transferred to the Maritime Board in Subparagraphs (C) and (D) of this Subsection, shall be administratively final, and appeals as authorized by law, including this Act, shall be taken directly to the Courts."

What I have done here is to cover situations which only involve notice and hearing and stricken out the words that were obnoxious to the Senator from Washington, namely:

In the exercise of his functions, powers, and duties, the Maritime Administrator shall be independent of the Secretary and all other officers of the Department.

The PRESIDING OFFICER. The amendment No. 6 of the Senator from Maryland is so modified.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. BREWSTER. I yield.

Mr. JACKSON. I appreciate the modification of the amendment which he has just made. I understand the Senator agreed to strike out amendment No. 5, which is on page 50, line 2; is that correct?

Mr. BREWSTER. That is correct.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. BREWSTER. I yield.

Mr. MUNDT. While there has been a series of 10 amendments offered, of which 1 has now been eliminated and 1 has been changed, is there anything in the 8 remaining amendments in the package of amendments offered which is inconsistent with the provisions at the desk?

Mr. BREWSTER. I am glad the Senator has asked that question. No; they are entirely consistent.

Mr. JACKSON. Mr. President, that is my understanding.

I want to make it clear to the Senator from Maryland that I am willing to take to conference the technical amendments, which have been included, with the understanding that in the meantime we will look into them to make certain that they are of a technical nature, and not of a substantive nature.

The Senator from Washington believes that there is merit in the amendment the Senator offers; namely, that, in those matters in which the Maritime Administrator is required to give notice and hearing, his decisions are to be administratively final and appeal is directly to the court, which, in accordance with the Administrative Procedure Act, would be to the circuit court of appeals. That particular amendment is in keeping with what we have offered in this bill, and will be taken to conference.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. BREWSTER. I yield.

Mr. LAUSCHE. It seems that the Senator from Washington is contem-

plating accepting the amendments. Before he does so, I should like to ask him a few questions. The first question is, Is it the purpose of the bill to place the transportation services of the Federal Government under one executive head who shall coordinate the activities?

Mr. JACKSON. The Senator is correct, in general.

Mr. LAUSCHE. And it has been the purpose of the bill, as presented by the committee, to treat the different transportation services identically?

Mr. JACKSON. In general, the Senator is correct. Obviously, this is not literally possible because of the historic differences that exist among the modes of transportation.

Mr. LAUSCHE. Primarily, the modes of transportation embraced are, generally, highway truck transportation, waterway transportation, railroads, airlines, and, in a measure, pipelines.

Mr. JACKSON. The Senator is correct. The Interstate Commerce Commission has certain functions in that regard.

Mr. LAUSCHE. Yes. The acceptance of the proposed amendment of the Senator from Maryland will not place the water carriers in a preferential position over that accorded to other modes of transportation, will it?

Mr. JACKSON. The Senator is correct. Because the distinguished Senator from Maryland has offered a number of what he describes as technical amendments, the Senator from Washington does not have the time to review carefully and in depth, the impact of all of the technical amendments. I want to make certain that they are technical amendments, but I assure the Senator from Ohio that the differences as he has stated regarding the policy we are following, briefly, are these:

We divided the functions into two categories. The Secretary of the proposed department is to be responsible for any administrative matters. In quasi-judicial and quasi-legislative matters, the decisions of the modal administrators would have administrative finality. Appeals from decisions of the modal administrators would go directly to the courts. We strongly believed that there was no sense in requiring that appeals go first to the Secretary. This is the philosophy we have endeavored to follow, and I would insist that it be followed with respect to the maritime program as it is with respect to the other modes of transportation.

Mr. LAUSCHE. My final question is this: Can the Senator from Ohio be assured that by the acceptance of these amendments there is no purpose to give specific preference, concerning what the new department will do, to the water carriers over that given to the railroads, the truckers, and other methods of transportation?

Mr. JACKSON. The Senator is correct.

Mr. LAUSCHE. I thank the Senator.

Mr. BREWSTER. Mr. President, do I still have the floor?

The PRESIDING OFFICER. The Senator from Maryland has the floor.

Mr. BREWSTER. How much time have I remaining?

The PRESIDING OFFICER. The Senator from Maryland has 1 minute remaining.

Mr. BREWSTER. In conclusion, Mr. President, I would say the amendments I have offered, which seem to be acceptable, merely place the maritime industry on the same footing with other modes of transportation. It is not our intention to give them any preferential treatment whatsoever. This has nothing to do with the substantive matter whatever; it merely gives the Maritime Administrator some ability to revise our maritime policy and rebuild our maritime fleet.

I yield back the remainder of my time.

Mr. JACKSON. Mr. President, I wish to say that I am very pleased to take this entire matter to conference, and I hope that in conference we can reach an equitable resolution of this very difficult problem that exists in the maritime field.

On that basis, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing, en bloc, to amendments, as modified, of the Senator from Maryland.

The amendments, as modified, were agreed to en bloc.

Mr. MUNDT. It has been called to my attention that on page 43 of the bill, where we include wildlife and waterfowl refuges with public parks, recreation areas and historic sites in protecting them from anything that might be in the nature of a detraction from their natural beauty and purpose, we did not include, on line 21, the same language with reference to wildlife and waterfowl refuges which was included elsewhere.

Therefore, I propose an amendment, on line 21 of page 43, after the words "recreational area," to add the words "wildlife and waterfowl refuge." That would bring that subsection into harmony with the remainder of the bill. I say to the distinguished Senator from Washington, the acting floor manager of the bill, that I am referring to the matter which we have discussed heretofore, and I believe we are all in agreement.

The PRESIDING OFFICER. The amendment will be stated.

The ASSISTANT LEGISLATIVE CLERK. On page 43, at the end of line 21, to add the words "wildlife and waterfowl refuge."

Mr. JACKSON. Mr. President, I understand the matter now before the Senate, is the clarifying amendment proposed by the Senator from South Dakota. I think the amendment is helpful, and I am pleased to accept it.

I yield back the remainder of my time.

Mr. MUNDT. I yield back all the remainder of my time except the 10 minutes I promised the Senator from West Virginia.

Mr. BYRD of West Virginia. Mr. President—

Mr. CLARK. Mr. President, will the Senator yield 30 seconds to me before he does that?

Mr. JACKSON. Mr. President, I had promised to yield to the Senator from Pennsylvania.

Mr. MUNDT. Mr. President, before we proceed, could we have a vote on my amendment?

The PRESIDING OFFICER. The

question is on agreeing to the amendment of the Senator from South Dakota.

The amendment was agreed to.

Mr. CLARK. Mr. President, am I recognized?

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. BYRD of West Virginia. What about the 10 minutes the Senator from South Dakota yielded to me?

The PRESIDING OFFICER. The Chair will state that we are confronted here with a rather strange parliamentary creature. The Senator from West Virginia has the floor, except that he yielded 2 minutes to the Senator from South Dakota. The 10 minutes yielded to the Senator from West Virginia are still very much in effect.

Mr. MUNDT. Mr. President, to clarify the situation, I yield 10½ minutes to the Senator from West Virginia, 30 seconds of which may go to the Senator from Pennsylvania.

Mr. PROXMIRE. Mr. President, will the Senator from Wyoming yield me 5 minutes?

Mr. SIMPSON. Mr. President, I yield 5 minutes to the Senator from Wisconsin.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. PROXMIRE. Mr. President, the Department of Transportation bill we are considering today is very important to Members of Congress from the Midwest because the proposed department will have a substantial impact on the way in which the St. Lawrence Seaway is developed.

I am very pleased with the action taken by the Senate Government Operations Committee to give the Seaway Development Corporation an independent status within the proposed agency. On the other hand, I am apprehensive over the treatment the seaway may receive from the Secretary of this new Department.

All those who have fought for the seaway over the years were shocked by the Under Secretary of Commerce for Transportation's support for a 10-percent increase in seaway tolls at a time when American-flag shipping on the seaway has fallen from 29 ships last year to 12 ships so far this year. Under Secretary Boyd's remarks when testifying on the Mondale bill to recapitalize the seaway raised the prospect of serious underutilization of the seaway with resulting lower income despite higher tolls.

I am particularly concerned about the fact that there will be an adverse effect on ports throughout the Great Lakes if this procedure is followed. I include some eight ports in the State of Wisconsin.

A Secretary of Transportation who is fully sympathetic to the problems and potentialities of this "fourth seacoast" can do tremendous good for the economy of the Midwest and the Nation as a whole. On the other hand, a Secretary who merely considers the seaway as a moneymaking proposition, and nothing else, could do unmitigated damage to midwestern economic interests.

Mr. President, I point out that the amount involved from the standpoint of the Treasury is very little, probably

\$600,000 a year. However, the impact on the seaway could be devastating for transportation on this great body of water.

The Department of Defense has recently initiated a system of competitive bidding for ocean shipment of military cargo. This type of competition would greatly aid flag shipping on the lakes. The lakes had been virtually eliminated from the previous negotiated-bid system by East Coast Shipping Conference tactics.

A sympathetic Secretary of Transportation could improve conditions for shipping military cargo through the seaway through his consultations with the Department of Defense as well as with the other concerns and agencies involved.

Mr. President, I ask the distinguished Senator from Washington, the manager of the bill—who, I think, has done a highly competent job as he always does on Senate legislation—if he would agree that the Department of Transportation is being set up in this bill to provide fair treatment for all modes of transportation in all areas of the country where transportation is competitive.

Mr. JACKSON. As the Senator from Wisconsin is probably aware, I voted for and supported the legislation setting up the St. Lawrence Seaway project.

I think that it is a very important undertaking. I believe it is, indeed, a part of our national transportation program.

I can only express the very strong hope that the new Secretary of Transportation, provided for in the pending bill, will see to it that there is no discrimination between modes of transportation.

The new Secretary should look very carefully into the problem posed by the distinguished Senator from Wisconsin, concerning the proposed increase of tolls. If this is to affect the proposed overall policy that Congress laid down in the treaty that was approved in connection with the St. Lawrence Seaway project, I would be greatly disappointed.

I think it is important that the new Secretary of Transportation treat the various modes of transportation fairly and equitably in the national interest.

I do not think that one mode should be singled out over another. The overriding consideration should be the national interest of this country and what is best in the public interest.

Mr. PROXMIRE. I thank the distinguished Senator from Washington very much.

The St. Lawrence Seaway is the only waterway in the country, to my knowledge, which is required to pay a toll and required to pay back every penny that the Federal Government invests.

The other waterways get an outright subsidy. We feel that the tolls should be kept at their present level and that a very modest stretch out in repayment should be provided.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PROXMIRE. Mr. President, will the Senator from Wyoming yield me 3 additional minutes?

Mr. SIMPSON. Mr. President, I yield

the Senator from Wisconsin 3 additional minutes.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized for 3 additional minutes.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the following excellent articles on the seaway problem, written by Alan Emory, an extraordinarily able reporter of the *Water-town Times*, be printed at this point in the RECORD: "Seaway Senators Arming To Battle Military Cargo Cut"; "United States To Back Seaway Hike Conditionally"; "L.B.J. Held Only Block to Seaway Toll Hike"; and "Time Is Running Out in Seaway Toll Battle."

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

SEAWAY SENATORS ARMING TO BATTLE MILITARY CARGO CUT

(By Alan Emory, *Times Washington*
correspondent)

WASHINGTON.—Seaway area senators are lining up to fight a bill that threatens the future expansion of military cargo shipments from the Great Lakes and St. Lawrence river ports.

The bill has already been cleared by the senate commerce committee. It would require the defense department to scrap its new policy of competitive bidding to carry military cargo on American flag vessels and return to a long standing policy of negotiated contracts.

Sen. WILLIAM E. PROXMIRE, D., Wis., has already told Senate Majority Leader MIKE MANSFIELD, D., Mont., that he is ready to talk at length against the measure.

Sen. PHILIP A. HART, D., Mich., commented that, despite sweeteners in the bill for seaway area lawmakers, "I am reluctant to deny to the secretary of defense the opportunity to test the application of the basic proposition that competitive bidding is the soundest business method."

The Pentagon, Federal Maritime commission, Maritime administration and General Accounting office have opposed the bill.

The bill was pushed by Atlantic, Gulf Coast and west coast shipping combines.

The committee majority called the competitive bidding practice "a new and highly hazardous method" that would "fly in the face of history" and lead to "destructive competition, the bankruptcy of transportation firms, the reduction or elimination of service and illegal preferences which favor the large shipper over the small."

The majority argued that competitive bidding for liner cargo "inevitably drives rates below costs." It claimed the bill did not change the requirement that military cargo be shipped in American flag vessels manned by American seamen and meeting American safety standards.

Furthermore, the majority claimed, the bill would require equal consideration for the seaway area in allocating military overseas cargoes, rather than basing awards on past history, since the Great Lakes area has not had regularly scheduled sailings.

The prize is a potentially rich one.

The seaway area has seen its share of defense cargoes gradually decline as the total increased.

Defense cargoes are now transported at a cost of about \$400,000,000 a year. Arrangements are made by the Military Sea Transport service.

On April 4 the defense department said it would start competitive bidding for overseas military shipments to lower transportation posts.

The committee majority, sparked by Senate Commerce Committee Chairman WARREN

G. MAGNUSON, D., Wash., and Sen. DANIEL BREWSTER, D., Md., argued that the defense department movement of air cargo under competitive bidding has produced a "chaotic" situation and six years ago it got together with the Civil Aeronautics board to develop a "stable rate system."

The committee said Great Lakes ports had suffered in obtaining military cargo because they were not considered as a separate seacoast. The bill provides such consideration to "encourage the use of Great Lakes ports along with those on the other coasts for the loading of military cargo," the report says.

The language, however, has not convinced the Great Lakes senators.

Sen. FRANK J. LAUSCHE, D., Ohio, said the shipping combines supporting the bill wanted to protect a monopoly situation.

Past cargo policies, he commented, had strangled competition and proved "a very expensive way to destroy the American merchant marine."

UNITED STATES TO BACK SEAWAY HIKE CONDITIONALLY

(By Alan Emory)

WASHINGTON.—The Johnson administration is preparing for negotiations with Canada in which the United States will conditionally approve a ten per cent increase in St. Lawrence seaway toll rates.

However, the U.S. is prepared to do some hard bargaining on the Canadian proposal to levy lockage fees at the Welland canal, and the guessing is that negotiations will balance the toll increase and the agreement to give Canada an extra penny out of every revenue dollar from the seaway against the lockage fee.

If Canada receives 72 per cent of the seaway revenue starting next year, instead of the 71 per cent that country has been receiving, the increased take could come to about \$150,000 a year immediately and rise in future years.

The administration is getting ready to shift future seaway toll talks to the diplomatic level, informed sources here said today.

Although the policy basis for the U.S. position is expected to include the higher toll structure, as demanded by Canada, the commerce department and American seaway officials are under heavy pressure to withhold approval for another year.

The administration's bowing reluctantly to the toll increase will bring an angry reaction in the midwest and some areas of Canada. Only six of 61 witnesses at public hearings in Chicago in June favored higher tolls, and only two of 48 witnesses in Ottawa.

All through two days of hearings before a senate public works sub-committee, which ended Wednesday, lawmakers, governors, port experts and businessmen called for a complete new evaluation of the Seaway-Great Lakes policy and future by the United States and Canada.

Sen. DANIEL K. INOUE, D., Hawaii, who presided at Wednesday's session, said the committee would call on the state department to initiate talks with Canada on the whole problem.

Although the hearings centered on legislation designed to freeze toll rates at the Jan. 1 level, refinance the seaway through the issuance of capital stock, in place of the present revenue bonds, and make the government investment permanent, instead of requiring the project to pay out after 50 years, many seaway backers agreed that the importance of the sessions was their focusing a bright spotlight on the seaway's problems and their need for a cure. Most of these problems are financial caused by a pile-up of bond interest that prevents the seaway from operating in the black.

Gov. George Romney of Michigan sent a letter to the committee supporting the bill as a means of "holding the line" on tolls, but urging the abolition of all tolls in the future.

L.B.J. HELD ONLY BLOCK TO SEAWAY TOLL HIKE

(NOTE.—This is the first of two articles on the controversial Canadian proposal to increase St. Lawrence seaway tolls ten per cent in 1967. Only a stop order by President Johnson can prevent United States from agreeing to the proposal, according to present thinking in Washington.)

(By Alan Emory, Times Washington correspondent)

WASHINGTON.—Only a stop order from President Johnson can prevent the United States from agreeing with a hotly controversial Canadian proposal to increase St. Lawrence seaway tolls ten per cent, starting with the 1967 shipping season.

Working echelon administration officials are preparing the ground for negotiations with Canada that would confirm the increase. Alan S. Boyd, under secretary of commerce for transportation, who will probably head the new department of transportation, is on record favoring the increase.

United States and Canadian seaway agencies have reports showing the increase will not scare off increasing cargo and revenues and will enable the project to meet the legal requirement that it pay for itself within 50 years.

However, congressmen and senators from the seaway section are fighting a desperate rear guard action to delay the increase. They claim it would wreck the seaway just as it begins to compile an impressive record of steadily increasing traffic and revenues from ship tolls.

They propose to knock out the 50-year payout requirement and refinance the project by substituting capital stock for the outstanding bonds and unpaid interest totaling \$18,800,000.

It is the ever-increasing interest backlog that has prevented the seaway operation from moving into the black ink side of the ledger.

Canada has suggested a three-point program comprising higher tolls, a greater share of the seaway revenue and an escalating program of lockage fees on the all-Canadian Welland canal.

President Johnson's advisers are ready to recommend the U.S. go along with the higher tolls and the extra revenue for Canada—72 per cent in place of the 71 she has been receiving—if the Canadians will severely modify or eliminate the Welland fees.

There are no charges on the Welland now, but Canada has embarked on a modernization program that will cost half a billion dollars.

The seaway fight, however, has gone beyond the mere question of higher tolls, although that is the more emotional and dramatic issue. It has spilled over to the new transportation department, military cargo policy and the question of a new bilateral policy covering the whole Great Lakes-St. Lawrence area.

The president has given his support to a plan that would provide new prestige for the American seaway agency within the new transportation department. Seaway section lawmakers have threatened to filibuster the department bill unless that is approved.

They have also raised storm signals about the nomination of Mr. Boyd to head the department, with indications that if he does not change his tune about seaway tolls he may run into some strong opposition when the senate is asked to confirm him.

Another filibuster has been threatened against a measure approved by the senate commerce committee that would reverse a new Pentagon policy calling for competitive bidding for carrying military cargo by water.

Midwest lawmakers claim the competitive bidding could save the United States \$40,000,000 to \$50,000,000 a year, but port and ship combines from the east, west and Gulf coasts

want to go back to negotiated bids to freeze out the seaway.

Sen. PHILIP A. HART, D., Mich., has successfully sponsored a move for an army engineer study of the possibility of enlarging or twinning U.S. seaway facilities and has suggested the U.S. look into sharing the Canadian burden of improved works at the Welland canal.

All of this will cost money at a time when the Johnson administration is trying to tighten up its budgets for the future.

A senate public works subcommittee completed two days of hearings on seaway problems last week.

Among the major questions not asked at the hearings were these:

Had the White House been informed in advance that Mr. Boyd supported the toll increase and was this approved or cleared?

Would the commerce department approve lifting the 50-year payout requirement, assuming no other change were made in the financing?

Just what do the expert predictions show a ten-percent toll increase would achieve in revenues and cargo?

TIME IS RUNNING OUT IN SEAWAY TOLL BATTLE

(NOTE.—This is the second of two articles on the controversial Canadian proposal to increase St. Lawrence seaway tolls ten per cent in 1967. Only a stop order by President Johnson can prevent United States from agreeing to the proposal, according to present thinking in Washington.)

(By Alan Emory)

WASHINGTON.—Time is running out for opponents of a toll increase on the St. Lawrence seaway.

The issue will soon be handed to the state department to negotiate on behalf of the Johnson administration, but the White House has kept silent on the president's position.

The only hint has been open support for the toll hike by Alan S. Boyd, under secretary of commerce for transportation, who is the effective policy boss of the seaway operation.

Mr. Boyd is considered a key man in the whole picture. It is widely believed that if congress approves a new cabinet-level department of transportation Mr. Boyd will be named to head it.

This could create some problems.

The American St. Lawrence Seaway administrator, Joseph H. McCann, has his reservations about the idea of boosting seaway tolls, but Mr. Boyd is for the boost.

Mr. McCann has declared publicly he would be "delighted" to see the seaway financing plan overhauled, with capital stock replacing revenue bonds and interest. Mr. Boyd has opposed legislation to accomplish the refinancing.

Mr. McCann signed a report to the commerce department including some of these positions, and Rep. HENRY S. REUSS, D., Wis., has charged the department with "suppressing" it and rewriting it. Mr. Boyd has denied the existence of the report, known within the seaway agency and the department as the "blue report."

The commerce department has, incorrectly, accused the St. Lawrence Seaway Development corporation of "leaking" the "blue report" to this reporter. The corporation told the department, accurately, it had not.

Administrator McCann, because of his subordinate position, has been unwilling to contradict commerce department officials in public or even to express his own views candidly. His half-hearted attempt to joke away his one public expression for the refinancing plan brought an immediate rebuke at last week's seaway hearing.

There has been confusion on both sides.

Mr. Boyd, trying to make a gesture of

concession, has suggested the treasury pay for repairs to the Eisenhower lock on the seaway, which may reach a total of \$700,000 over the years. The work has to be done annually, and the costs have come out of ship tolls.

Unless the army engineers decide to sue the lock contractor and get the money back to the seaway corporation that way, the only reimbursement to the agency would have to come from an army engineer appropriation. Appropriations are provided by congress, but Mr. Boyd declared no legislation would be necessary.

One of the seaway's senators' proposals is to subsidize part of the waterway operation by having taxpayer funds pay for maintenance—though not operation. Maintenance costs this past year came to about \$712,000.

Even some seaway backers have strong reservations about the wisdom of attempting such a subsidy.

Mr. Boyd said including the stock dividend interest in seaway tolls in the proposed plan would saddle the project with too much of a financial burden in the future, but all sides agree it would be nearly impossible to place a greater burden on the project than the current bond interest problem constitutes now.

Anti-seaway interests, except for the Association of American Railroads, have been willing to sit out this latest round and let the Johnson administration carry the ball for them.

They have concentrated, instead, on moves like trying to overturn the competitive bidding policy of the Pentagon on military cargo shipments.

All sides agree that there is not a chance in the world of congress' reaching a showdown on seaway refinancing this year. Even in the future it has to overcome such hurdles as the fact that the house public works committee chairman, Rep. GEORGE H. FALLON, D., Md., has been a long and bitter foe of the seaway.

The object of the refinancing bill is to hold seaway tolls down to their 1966 levels, but U.S. and Canada must soon reach an agreement on whether the tolls should be raised for the 1967 shipping season.

President Johnson has indicated sympathy with the seaway area governors and lawmakers but the time for sympathy has given way to the time for decision and policy-making.

The seaway's future is now the president's baby.

Mr. PROXMIRE. Mr. President, I must say with great regret that I am going to have to vote against the bill in spite of the fact that I recognize that there is a great deal of merit in it.

The bill would relieve some of the terrific burdens the President of the United States has in dealing with the large number of agencies which report to him.

The bill would consolidate these agencies. The bill would coordinate transportation, and provide the benefits of coordination. It would provide some benefits, I hope, for the St. Lawrence Seaway.

I shall vote against the bill because the pig jumped out of the barrel when I was discussing the bill with the Senator from South Dakota. It was revealed that section 7 would freeze into the law a provision which would make it much easier for uneconomic and wasteful waterway projects to be developed over the years at a cost of many billions of dollars to the American taxpayers.

Consequently, I must vote "no" on final passage.

I hope that the seaway will be given the attention and assistance by the new Secretary of Transportation that it so seriously needs. This would in no way be inconsistent with his mission to promote effective and efficient transportation in the United States. In fact, such an approach to the seaway should be a vital part of this mission.

Mr. MONRONEY. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to state the amendment.

Mr. MONRONEY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and the amendment will be printed in the RECORD.

The amendment is as follows:

On page 74, line 3, strike out all of the language down to the end of the sentence on line 7.

On page 86, line 9, strike out "(46) Assistant Secretaries of Transportation (4)."

On page 86, after line 16, insert the following: "Section 5315 is amended by inserting below '(23) Assistant Secretaries of the Treasury (4),' the following: '(24) Assistant Secretaries of Transportation (4),' and renumbering consecutively the remaining positions in said section."

On page 87, line 1, strike out "(81) Assistant Secretary for Administration, Department of Transportation," and insert in lieu thereof, "(5) Section 5316 is amended by inserting below '(28) Assistant Secretary of the Treasury for Administration,' the following: '(29) Assistant Secretary of Transportation for Administration,' and renumbering consecutively the remaining positions in said section."

Mr. MONRONEY. Mr. President, I compliment the distinguished senior Senator from Arkansas, the junior Senator from Washington, the junior Senator from Oklahoma, and the other members of the Government Operations Committee on the bill the committee reported to establish a Department of Transportation. The committee has done an excellent job of resolving the many complex and technical issues raised which have a vital bearing on the transportation policy of our Government and on the administrative structure created to promote, coordinate and regulate the vast and varied U.S. transportation system. The committee bill is a marked improvement over the proposal originally submitted by the President, as well as the bill passed by the House of Representatives.

When the Senate Committee held hearings on the President's proposal, I testified in support of a Transportation Department. I pointed out, however, some features of the proposal, which I felt would have harmful effects on aviation safety and on the continued development of needed water resource projects through the United States. I proposed three amendments to the committee with regard to the serious deficiencies in the President's proposal.

I am gratified that the committee saw fit to include in its bill the substance of

the amendments I proposed. My amendments were opposed by the administration. But in the modified form reported by the committee, I believe they improve the bill and do not hamper the authority of the Secretary to promote, coordinate and improve our national transportation system.

That was the primary purpose for establishing a Department in the first place.

My first amendment would give to the new Federal Aviation Administrator the statutory authority and responsibility for the air safety functions now performed by the existing Federal Aviation Agency. These functions include the establishment and enforcement of air safety regulations, the operation of the air traffic control system, the allocation and control of airspace, and the licensing of aircraft and airmen.

These are functions which relate entirely to air safety. Placing the sole responsibility and authority for making decisions affecting air safety in the hands of the Federal Aviation Administrator, who is required by law to have an aviation background and aviation experience, will in no way impinge upon the primary responsibilities of the Secretary. The Secretary will have complete flexibility and authority to promote, coordinate, and supervise the many aviation activities of the Federal Aviation Agency and other Government agencies not related to air safety.

One of the main purposes for the Federal Aviation Act of 1958 was to place responsibility for air safety in the hands of one Federal agency, so that decisions could be arrived at promptly by persons skilled in aviation safety without the jurisdictional conflicts and jurisdictional voids which contributed so greatly to the unsafe condition of our airways prior to 1958. The committee bill also retains the present Government organizational structure, which was arrived at after a great deal of study and thought in 1958. This structure cannot be changed except pursuant to reorganization plan or statute. During the formative years of the Department, it is essential to keep the tried and proved aviation organization we now have.

The Federal Government is not involved in any other mode of transportation to the same extent or so directly as it is in the field of aviation. A new aircraft cannot be put into operation until it has been certified and declared safe by the Federal Government. A pilot, either commercial or general aviation, is not permitted to take the controls of an aircraft until he has completed the pilot training requirements fixed by the FAA and passed the stringent FAA licensing test. A mechanic cannot work on an airplane without a license from the Federal Aviation Agency, which attests to his skill and ability to perform the intricate repairs required on today's generation of complicated aircraft.

An airplane cannot take off until it has received clearance from a Federal employee in an airport control tower. It cannot pass from one region of the country to another, thousands of feet above the ground, without the approval of the

air traffic controller who has tracked its course across the country. It cannot land without permission from an FAA man in the airport tower.

This type of day-to-day, minute-to-minute involvement of the Federal Government in the operation of our national air transportation system distinguishes aviation from the other modes of transportation. It is reason enough for the carefully considered and meritorious amendments made by the Government Operations Committee.

In another important area affecting air safety, the committee amended the President's proposal to place all the Civil Aeronautics Board's air safety functions in the new National Transportation Safety Board, which will be independent of the Secretary. At the present time the CAB, in addition to passing on appeals from licensing and certification decisions made by the FAA, has the statutory responsibility to investigate aircraft accidents and to determine their probable cause.

The administration proposed to separate aircraft accident investigation from the determination of probable cause. This would have been contrary to the purpose of the Federal Aviation Act. That act placed full responsibility for these matters in a board completely independent of the agency responsible for the operation of the airways, the allocation of airspace, safety regulations, and the licensing of aircraft and airmen.

In some instances the probable cause of an aircraft accident is attributed to the FAA. The Congress in 1958 decided that this Agency, which was responsible for the operation of the national aviation system, should not be placed in the position of investigating itself.

The committee amendment would maintain the same relationship between the Safety Board and the Secretary as now exists between the CAB and the FAA. The CAB Bureau of Safety would be transferred to the Safety Board, and the Safety Board would investigate aircraft accidents, as well as determine probable cause.

I consider the committee amendments on aviation highly important. As I indicated to the committee when I testified in May, I would find it extremely difficult to support the bill without their inclusion. I hope they will receive the approval of the Senate. I urge the Senate conferees to oppose any effort to eliminate them in conference.

The committee bill also contains an amendment to section 7 relating to transportation investment standards, which would exempt water resource projects from the standards and criteria to be developed by the Secretary for the investment of Federal funds in transportation facilities and equipment. The committee bill provides that the Water Resources Council will develop standards and criteria for economic evaluation of water resources projects. It writes into law the "current freight rate" formula which existed prior to November 1964, in determining the primary direct navigation benefits of a water resources project.

Since this formula was abandoned, there has not been a single water resources project approved. The new formula imposed by the Bureau of the Budget has resulted in a complete stoppage of any new water resources development in the United States. I applaud the senior Senator from Arkansas and my colleague, the junior Senator from Oklahoma, who were so instrumental in getting this important amendment into the committee bill. I am sure that they will advocate it in conference and persuade the House conferees that it is necessary, if we are to develop and improve the navigable waterways of our Nation.

The able chairman of the Senate Government Operations Committee has been so cooperative and understanding about the amendments I proposed that I hesitate to raise another point about his committee's bill. I am compelled to do so, because of a longstanding policy of the Senate Post Office and Civil Service Committee with respect to the creation of additional grades 16, 17, and 18—the so-called supergrades—in bills authorizing new Government programs or the expansion of existing programs.

The committee bill would authorize the creation of 45 additional supergrades to be allocated by the Civil Service Commission to the new Department of Transportation. This is a matter which comes under the jurisdiction of the Senate Post Office and Civil Service Committee. The committee has made a practice of objecting to such provisions in general authorization bills, as the committee has primary responsibility for maintaining control over the total number of supergrade positions.

Just this month an additional 300 supergrade positions were approved by the Congress. This legislation went through the Senate Post Office and Civil Service Committee.

I am aware that additional supergrades may be needed next year to staff the different programs and activities approved by the 89th Congress. The Senate Post Office and Civil Service Committee will consider legislation to increase the number of supergrades to be made available for all Government departments and agencies, including the new Department of Transportation, the first part of next year.

In view of this and the committee's policy of maintaining control over the total number of supergrades, I must object to the provision in the committee bill with respect to supergrades.

I would also like to point out that the bill as reported places the four Assistant Secretaries for the Department of Transportation in level III and the Assistant Secretary for Administration in level IV of the Federal Executive Salary Act of 1964, as amended. This is not in accord with the alignment of assistant secretaries and assistant secretaries for administration in all other departments of the Government.

In 1964, the Committee on Post Office and Civil Service gave very careful consideration to the ranking of positions in the five levels of the executive salary schedule. To achieve a proper balance and maintain appropriate salary align-

ment with agencies and departments, it was decided to place the chairmen of major agencies in level II and assistant secretaries of all departments in level IV. The position of assistant secretary for administration in all departments was placed in level V. I think the internal alignment of the Executive Salary Act should be preserved. I think also that it would create many problems in the executive branch to give preferential treatment to the Assistant Secretaries of this one Department.

With these thoughts in mind, I send to the desk an amendment to strike the provision authorizing the creation of additional supergrades, to place the four assistant secretaries in level IV, and the Assistant Secretary for Administration in level V of the executive salary schedule. I earnestly hope that the senior Senator from Arkansas will understand my position and accept the amendment.

Mr. JACKSON. Mr. President, may I respond on my own time?

Mr. President, as I understand the Senator's amendment, first, it would strike the additional 45 supergrades provided for in the bill.

Mr. MONRONEY. The Senator is correct.

Mr. JACKSON. Second, it would change the pay from level III to level IV of the four assistant secretaries, and would change from level IV to level V the pay of the Assistant Secretary for Administration.

Mr. MONRONEY. The Senator is correct. It would bring it into conformity with these levels for the assistant secretary in all other departments of the Government, with the exception of the Assistant Secretaries of Defense and the Assistant Secretary for Administration.

Mr. JACKSON. And, as I understand, it also would conform to the bill as passed by the House.

Mr. MONRONEY. The Senator is correct.

Mr. JACKSON. Mr. President, I understand that there may be some necessary technical changes in these amendments, and that matter is now being worked out. With that observation, I am pleased to accept the amendments offered by the senior Senator from Oklahoma.

Mr. MONRONEY. I thank my distinguished colleague for his consideration.

Mr. COTTON. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield to my distinguished colleague, the Senator from New Hampshire.

Mr. COTTON. Mr. President, I wish to commend the distinguished Senator and to associate myself with him, particularly in that portion of his presentation which has to do with safety in the air and with the necessity of maintaining the independent investigation of accidents in the preservation of safety.

The Senator and I have served together for years on the Subcommittee on Aviation of the Committee on Commerce. I think that this matter is so vital that it must be in the bill, must stay in the bill, and must remain through the conference stage.

I commend the Senator for his amendments, and the Senators from Arkansas and Washington for agreeing to take them to conference.

Mr. MONRONEY. I deeply appreciate the great help I have had in the Subcommittee on Aviation of the Committee on Commerce by the distinguished Senator from New Hampshire. I also appreciate his insistence that in this bill, combining the FAA with the new Department of Transportation, the safety features now granted independent action by the FAA Administrator will not be impinged upon.

I yield back the remainder of my time.

Mr. JACKSON. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. Monroney in the chair). All time having been yielded back, the question is on agreeing to the amendments offered by the Senator from Oklahoma [Mr. Monroney].

The amendments were agreed to.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. SIMPSON. Mr. President, I yield 5 minutes to the Senator from New York [Mr. Javits].

Mr. JAVITS. Mr. President, I wish to make an observation or two in connection with the bill. I had planned to offer an amendment to the bill to establish an Office of Noise Abatement under the new Department. I favor the bill. I am a member of the Committee on Government Operations which reported the bill, and I shall vote for it.

I offered the amendment in committee, where it failed because of the deep-seated feeling that we should not saddle the new Department immediately with bureaus of an administrative character until the best form for its progress was ascertained. I settled for a provision in the bill which is found at page 40, lines 11-13, which gives as one of the authorities of the Secretary to: "Promote and undertake research and development with respect to noise abatement, with particular attention to aircraft noise."

Mr. President, I now rise to emphasize the serious nature of the commitment by the new Department, and my determination to pursue this matter to see that the Department really implements the authority that is given to it in the bill.

I wish to point out that in connection with the 1965 Housing and Urban Development Act, I succeeded in introducing an amendment calling for a study to determine feasible methods to reduce economic loss and hardship suffered by homeowners as a result of the construction of airports in the vicinity of homes. I have had a great deal of difficulty in getting that study made. It took a year longer than we had planned. I understand that it was only in June of 1966 that the study was begun. That would cover only one aspect of the matter, which is installation of the home. It does not cover creation of the noise, the kind of engines, approaches to airports, runways, and so forth, and the technical practices followed by pilots and operators of aircraft.

All of these things will be in the hands of this new Department. It is one of the

most vexing problems affecting big cities with dense populations. This problem has more effect on the health and property values than any other problem. Mr. President, I shall do my utmost to see that the provision contained in the bill which I have read to the Senate is effectively implemented. I shall follow the matter to assure that the study which we were promised in 1965 is produced, and that action is taken on it.

Mr. President, the other matter to which I wish to call the attention of the Senate is a problem we ran into for Appalachia, where the building of highways and access roads is an important aspect of the Appalachian program.

The original intent of Congress was to give an approval for the Department of Commerce, the Bureau of Public Roads, on the recommendation of the Appalachian Commission, with respect to highways and access roads.

Now, Mr. President, since that time, the Economic Development Administration was established to deal with technologically backward areas. It was felt that it should have a hand in this decision.

When the Department of Transportation was set up in this bill, I fought against two approvals for the highway and access road program. I recommended that it come under the Department of Transportation, because experience has shown, in the introduction of the EDA program, in the same department, where public roads were located, to wit, the Department of Commerce, approval was delayed in connection with highway and access roads in Appalachia.

Again, the committee could not accept my amendment, but they did give me a provision in the report on page 16, in which it pinpointed that the situation demanded prompt action from both Secretaries, and expressed the desire that they expected a designated official to be held responsible.

Mr. President, I wish to reaffirm the fact that I will do my utmost to see that this kind of responsibility is carried out. I think this is a serious matter in respect of this bill, which should have attention.

Finally, I call attention to the fact that mass transit is not being transferred from the Department of Housing and Urban Development at this time to the Secretary of Transportation, and that is covered at page 43 of the bill. A 1-year trial period is used, again a compromise, rather than to transfer the urban mass transit bill implementation to the new Department.

Again, Mr. President, I shall watch this matter closely and follow it up. This matter is urgent, as far as we are concerned in metropolitan areas such as New York. It is important now with respect to the New York, New Haven & Hartford Railroad. What is done under the Mass Transit Act will be important. I shall do my best to make the compromise work, but if it does not, I shall fight hard to have the mass transit situation placed under the newly created Department of Transportation.

I hope that the cooperation envisaged between HUD and the Department of

Transportation in this bill will work. I urge them to make it work. I would like to see it work, to go along with the Senator from Washington [Mr. JACKSON]. Mr. President, I shall follow the matter, and if it does not work, I shall fight to have it transferred.

The PRESIDING OFFICER. The committee amendment is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

Mr. JACKSON. Mr. President, I yield 5 minutes out of my time to the distinguished Senator from Oklahoma [Mr. HARRIS].

Mr. HARRIS. Mr. President, I thank the Senator from Washington.

Mr. President, I rise to support the bill, and to express my commendations to the distinguished Senator from Arkansas [Mr. McCLELLAN], the Senator from Washington [Mr. JACKSON], and the Senator from South Dakota [Mr. MUNDT] for their leadership in committee and on the floor of the Senate today in connection with the transportation bill.

The bill is a much improved version and answers the objections I raised last spring when the bill was introduced. In a speech on the Senate floor last April, I expressed "serious questions" concerning the bill which would create a new Cabinet-level department. I ask unanimous consent that the text of those remarks be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HARRIS

The Committee on Government Operations, of which I am a Member, has recently held two days of hearings on S. 3010, a bill to create a new Department of Transportation. It was during the course of these hearings that I became fully aware of the complexity of this proposed legislation, and I am glad that the distinguished chairman of the Committee [Mr. McCLELLAN] has scheduled additional hearings on the bill for May 3 and 4. I commend him for his careful handling of this matter.

There are several proposals contained in the bill which I feel warrant additional investigation and attention. For instance, I have serious questions in my mind concerning the proposals in Section Seven, which would, in effect, transfer to the new Secretary many of the functions now exercised by the U.S. Corps of Engineers with regard to our water transportation systems. At the present time, practically all of our inland navigation systems, which the Corps of Engineers has been responsible for designing, justifying, and constructing, have been authorized under the "multiple purpose" concept. This includes navigation, recreation, flood control, water supply, and conservation. I, therefore, question the advisability of separating from the feasibility study of these projects

the contribution which navigation and transportation will have on their justification, without relation to the other purposes of the projects.

Secondly, I have reservations about the proposal in the bill to transfer all of the powers and functions of the Federal Aviation Agency to the Secretary of the new department. Aviation continues to be one of the fastest growing and expanding industries in our economy, and it is contributing more to our overall economic development. With this rapidly expanding use of air transportation, I question the advisability of abolishing F.A.A., which through the years has demonstrated exceptional ability to coordinate and direct the efforts of aviation in America.

Thirdly, I am concerned over the proposed transfer of the functions and powers of the Bureau of Public Roads to the new Secretary of Transportation. Under existing conditions, the Bureau of Public Roads has done an enviable job of directing our programs of interstate and federal aid primary and secondary highway programs. There has been excellent federal-state cooperation. I feel the proposed reorganization plan could curtail our progress in this area considerably, and, therefore, feel that further consideration should be given to the possibility of transferring, if at all, the powers and functions of the Bureau of Public Roads to the new department as it is now structured, and as a legal entity.

I have mentioned only a few of the more prominent questions which have come to mind in regard to S. 3010. I feel these questions point out the great responsibility of the Congress to be very cautious before approving this recommendation to create a new Department of Transportation.

Mr. HARRIS. Mr. President, my most serious objection to the bill was that it would have transferred to the new Secretary certain powers to determine the feasibility of navigation projects now passed upon by the Corps of Engineers and the Water Resources Council. This objection has been more than cured by the adoption in committee of an amendment cosponsored by the distinguished Senator from Arkansas [Mr. McCLELLAN] and myself, which leaves such feasibility decisions in the Corps of Engineers and the Water Resources Council and, most importantly, as I stated earlier today, writes into the law itself the former "current rate" criteria for new navigation projects.

My second objection, which was to the Federal Aviation Agency losing its identity in the new Department, was taken care of by the adoption of amendments which I cosponsored with my distinguished senior colleague from Oklahoma [Mr. MONRONEY], who is chairman of the Subcommittee on Aviation. I certainly commend him for his untiring leadership and efforts in regard to these amendments and to aviation generally.

My third objection, voiced on the floor of the Senate last April, was to the Bureau of Public Roads losing its identity in the new Department and the possibility that highway funds might be diverted for nonhighway programs. This objection, too, has been taken care of in the bill reported by our committee, with one exception. That exception was taken care of by the amendment authored by the distinguished Senator from West Virginia [Mr. RANDOLPH] and myself and adopted earlier today.

I support the bill. It is now a much better bill for America and for my home State of Oklahoma than it was when it was introduced. I trust that it will be passed and that the Senate conferees will insist on the Senate amendments, with special reference to title VII, to which I referred earlier today.

Mr. RIBICOFF. Mr. President, I support S. 3010, a bill to establish a Department of Transportation.

The bill speaks to one of the most serious gaps in our national life—an agency to coordinate the work that has been parcelled out over the years to no less than 35 Federal agencies.

Transportation is a \$125-billion a year business in the United States. It affects almost every aspect of human and business endeavor.

This is a good bill. It is a sound and workable bill that accommodates both the public and private interests in the best traditions of our country.

President Johnson has said that transportation is the web that binds the Nation, and the statistics bear him out. Today, there are 90 million motor vehicles in the United States, moving on 1.5 million miles of paved streets and highways. There are 97,000 private and commercial aircraft flying more than a billion miles each year. Transportation accounts for one-sixth of our gross national products. Among its employees are 737,000 in the railroads, 270,000 local and interurban workers, 230,000 in air transport, and almost 1 million in motor transport and warehousing. If we include pipeline and water transportation personnel, there are over 2.5 million employees moving people and goods.

The United States has a vital stake in this vast entity. Consider that our population for 1966 is estimated at 195.8 million. By 2000, we will be well over 360 million, one-third of whom will be residents of the eastern seaboard. By 2000, 85 out of every 100 Americans will be city dwellers. They and their goods must move and be moved. How can this conceivably take place without sound, rational planning by an organization with both responsibility and authority? The answer is simple. It will not. But our lives and our every endeavor will have become too complicated and too inter-related to permit such a breakdown. Let us recognize that the Federal Government is already involved. It has invested many billions in the growth and development of transportation. For fiscal 1967 alone, the Government will spend some \$5 billion on highways, \$879 million on aviation, and \$740 million for the merchant marine and Coast Guard. Further evidence of the impact of transportation may be found in its total cost. The Nation's total transportation bill, public and private, is \$125 billion and increasing yearly. Total intercity passenger miles are 900 billion annually and will double in 20 years. Freight ton-miles, now 1.6 trillion, will also double during that period.

We are here today, Mr. President, in a long overdue effort—

To bring a coordinated rationale to the Federal role in transportation;

To provide a framework for effective and efficient leadership and management;

To end the disparity and diffusion of effort which occurs among the myriad of Federal transportation agencies;

To meet the burgeoning demands of population and industrial growth in an economy which may in the not too distant future see our first \$1 trillion a year in gross national product;

And, most importantly, to assure the optimum degree of safety for life, limb, and property in all modes of transportation.

In addition, we must assure ourselves of the right to look forward to the development of sound, technologically advanced passenger and freight transportation systems and facilities. Such imaginative concepts as the high-speed railroad, surface effect ships, vertical takeoff aircraft, and others are close to realization. Our efforts must not slacken.

All of this will be accomplished in close liaison with all those who can contribute to the successful attainment of national policies—the Congress, the States, local and urban government, private enterprise, labor, and others. This truly meaningful cooperation in transportation has been lacking in our federal system, and it has been costly. At long last, Mr. President, we will be able to realize the most from our human and economic resources and from the transportation dollar. Stated more explicitly, I believe that this vital organizational reform will give shape to what has been, at best, a vague and nebulous public interest. Hopefully, we will be afforded an entity which will devote its full efforts to ending the drift from transportation problem to transportation problem; problems which our constituents constantly call to our attention. You know these problems as well as I:

The slaughter on our highways;

Institutionalized regulatory limitations on the flexibility of carrier capital and operations;

Congestion in urban transportation and on movements to and from airports; Pollution of the air;

The effect of subsidies on managerial incentive;

Recurrent carrier equipment shortages and plant obsolescence;

Exhausting delays in the decisionmaking process;

The scarring of our landscape;

The lack of clear and imaginative thinking and policies as we approach the demands and burdens of the 21st century;

Emergencies have become the norm in much of transportation labor-management relations;

The lack of coordinated transportation policy within the Federal Government, between the Federal Government and the States and local government, between the Federal Government and industry, or even within the industry itself.

These are but a few of the many problems which plague us as our society becomes more urbanized and the free and unhampered movement of people and

goods becomes more and more an absolute necessity. The time has arrived to resolve these problems by an organization designed to develop truly national transportation policies and to implement them with congressional approval or to implement such policies as do exist. Do not believe that these problems can be put off for another day.

We have before us today a bill which is basically sound. It is most certainly a best effort by the committee to bring meaning out of the large body of testimony of the many and varied interests testifying before us. It is a bill which fully recognizes the constitutional prerogatives of all branches of Government, while at the same time permitting the Secretary to present his documented views to the Congress and the regulatory agencies.

Undoubtedly, the bill is susceptible to improvement, particularly in its somewhat loose organizational framework. This framework in no way prevents the Secretary from exercising full and complete power. It is our intention that the Secretary be accorded both responsibility and authority to get the job done expeditiously and completely. The evolutionary process which took place at the Department of Defense is not contemplated here. Nor is the weak arrangement which characterized the early Department of Health, Education, and Welfare our choice. Such frameworks could well be more harmful than the existing excessive conglomeration of separate agencies. Overall, this bill plainly recognizes that strong administration is basic to sound management. I am particularly pleased that the Department will contain a single agency to administer our traffic and highway safety laws. I have long believed in the necessity for such an office. During my inquiry into the Federal role in traffic safety in March 1965, I learned that there were 16 separate governmental units involved in this matter, but one literally did not know what the others were doing. There was a complete lack of coordination. I trust this will be remedied by the establishment of the new Bureau in the Department.

This year we enacted the substantive legislation which should go a long way toward reducing the toll of death, injury and property damage on our highways. But for a truly effective program, the law must be carried out efficiently. Now we know this will be done.

This bill, Mr. President, offers a path to the future. If we accept its direction, we will at last enable enlightened government to serve—and rightly so—as a full partner with private enterprise and other appropriate interests in meeting America's urgent need for mobility. If we fail to recognize our proper course, we will simply invite more confusion. If we fail to promote and develop an advanced national transportation system, we will encourage economic and human stagnation. We can no longer afford the luxury of inactivity in Federal transportation organization. We recently took welcome substantive steps forward in our highway safety legislation. I now

urge the passage of this bill. It is not a cure-all, but it will provide a greatly needed, coherent instrument of Government which will emphasize the importance of transportation in the Nation's economy and the well being of its people. This surely is our duty. Let us accept it without delay.

Mr. SPARKMAN. Mr. President, although I support the establishment of a Department of Transportation, as proposed in H.R. 13200 and S. 3010, I have serious doubts whether the framework and enabling statutory authority would actually achieve the basic objectives which are envisaged. Insofar as the maritime industry is concerned, I have grave apprehensions that the inclusion of the promotional functions relating to the maritime industry within the proposed new Department of Transportation would obscure and hinder the maritime programs rather than advance them.

There is no question but that the merchant marine does not get the attention necessary to advance it under the Department of Commerce, an agency with so many broad and varied projects, of such massive size or purpose as to leave less time for the promotion and development of a merchant marine.

Since the U.S. Maritime Commission was abolished in 1950 by Reorganization Plan No. 21, and the former Federal Maritime Board-Maritime Administration was established under the control of the Department of Commerce, the American merchant marine and the American shipbuilding industry have experienced the most drastic decline in our history. The participation of U.S.-flag ships in our waterborne foreign commerce had increased from 26.5 percent in 1937 to 42.9 percent in 1951 when Reorganization Plan No. 21 went into effect. By 1961, when Reorganization Plan No. 7 went into effect, the U.S. flag participation had declined to 8.8 percent. One of the primary reasons for plan No. 7 was to give the Secretary of Commerce additional powers which he said were necessary to halt the decline and to start rebuilding its participation in our foreign commerce. Since that time the participation has declined to approximately 8 percent. Although I do not lay all of our problems at the doorsteps of the Department of Commerce or claim that the lack of independence in the administration of the maritime programs has been the sole cause of the troubles which beset the American maritime industry, I believe that this framework of governmental organization has been largely responsible for the trouble. An effective, enlightened, and progressive program for promoting and maintaining the American merchant marine cannot be carried out unless the persons entrusted with the administration of that program have sufficient knowledge, confidence and independence of judgment to carry out the programs which our basic shipping legislation have promulgated. This type of enlightened and independent judgment has not been possible in the maritime industry since 1950, and I am fearful that the inclusion of the maritime's promotional programs under

a Department of Transportation would merely solidify and perpetuate conditions which now exist.

There was more than one reason for the passage of the 1936 Merchant Marine Act. First of all, our merchant marine had declined to where it was not adequate "to carry the greater portion of its (our) commerce and serve as a naval or military auxiliary in time of war or national emergency."

The indirect subsidies provided in the 1928 act had not done the job intended and their administration had been administered with many abuses and malpractices.

In his message to Congress in 1936 on a merchant marine, President Roosevelt put it as follows:

I present to the Congress the question of whether or not the United States should have an adequate merchant marine.

To me there are three reasons for answering this question in the affirmative. The first is that in time of peace, subsidies granted by other nations, shipping combines, and other restrictive or rebating methods may well be used to the detriment of American shippers. The maintenance of fair competition alone calls for American flag ships of sufficient tonnage to carry a reasonable portion of our foreign commerce.

Second, in the event of a major war in which the United States is not involved, our commerce, in the absence of an adequate American merchant marine, might find itself seriously crippled because of its inability to secure bottoms for neutral peaceful foreign trade.

Third, in the event of a war in which the United States itself might be engaged, American flagships are obviously needed not only for naval auxiliaries but also for the maintenance of reasonable and necessary commercial intercourse with other nations. We should remember lessons learned in the last war.

Mr. President, these reasons for a merchant marine are as sound today as they were 30 years ago. The only difference between now and then is that our merchant marine is in worse condition now than it was in 1936 and getting worse.

The 1936 act states that we shall have a merchant marine and then it provides means such as operating and construction subsidies and cargo preferences for U.S.-flag ships to make the declared policy a reality. The value of the subsidy provided in the 1936 act is amply demonstrated by the fact that in the trade in which they participate, the subsidized lines carry over 30 percent of the trade. This is contrasted with the overall participation of less than 10 percent.

Over the years it has been necessary for Congress to enact further legislation such as cargo preference which provides principally a routing preference to protect American shipping from discriminatory practices abroad.

Before the subsidies, as outlined in the 1936 act, are extended to aid in the promotion of our commerce and U.S.-flag shipping, first of all certain determinations such as necessary to meet foreign-flag competition, necessary to promote our foreign commerce, and so forth, have to be made, and then the U.S.-flag companies are required to meet certain criteria such as operationally competitive and financially responsible, and so forth.

Such criteria or determination clearly fall within the category of quasi-judicial functions and must be administered as such. This gives credence to the proposition that the agency or the governmental body responsible for such action should be clothed with a high degree of independent authority. The establishment of a bipartisan adjudication body to pass upon the quasi-judicial determination for subsidy under the act would lift the status of such important functions beyond any suspicion of political influence.

From 1936 through early 1950, the U.S. Maritime Commission was in charge of maritime responsibilities including quasi-judicial, regulatory, promotional, and administrative functions. It was a separate and independent agency reporting to Congress.

From 1950 to 1961, the Federal Maritime Board handled regulatory and quasi-judicial functions. When it came to adjudicating between competing lines for subsidy on essential trade routes and the letting of subsidy contracts, it was independent of the Department of Commerce although lodged therein. This was under Reorganization Plan No. 21 which circumscribed the authority of the Secretary of Commerce, limiting it principally to policy guidance alone in certain areas. However, as time progressed, it became evident that a completely independent Board was far preferable.

In considering the establishment of a Department of Transportation, the fact should be recognized that there are definite distinctions between all of the other agencies which would be included in that Department and the Maritime Administration.

The following characteristics of the maritime industry which make it unlike any other mode of transportation, I submit, should be borne in mind:

First. The oceans are free to the vessels of any nation and ocean commerce is not confined, as is airline commerce, to the vessels of the nations involved pursuant to bilateral and multilateral treaties;

Second. Because the oceans are free to the vessels of any nations, tax-free registries have developed in countries such as Liberia, Panama, and Honduras, which have built up fictitious national-flag merchant marines capable of operating at extremely low costs; and

Third. No other American industry competes so directly with foreign-flag competitors as the maritime industry.

I have been referring primarily to the deep-sea merchant marine. There is, however, another segment that needs consideration—the domestic.

The domestic common carrier maritime industry has been instrumental in the development and defense of our country for the past 150 years. Before other modes of transportation were developed, in particular the railroads, the water carriers provided the needed economic means of transportation. After the development of the other modes of transportation, the water carriers continued to provide the most economic means of transportation. Over the years the domestic merchant marine's growth

was commensurate with the development of our economy of which they played a major role. The domestic shipping industry's contribution to our peacetime economy, even though unmeasurable, has been surpassed by their contribution to our national defense. At the beginning of World War II, more than half of the merchant ships that were put into service came from the domestic fleet. It is indeed ironical that the domestic fleet did not survive the period in which it made its major contribution.

The decline and disappearance of the domestic shipping industry dates back to World War II and the Transportation Act of 1940, when the water carriers were placed under the Interstate Commerce Commission. Prior to 1940, the domestic water carriers were regulated by the Maritime Commission who also were under the mandate of the Merchant Marine Act of 1936.

The Transportation Act of 1940 took the domestic merchant marine out from under the agency—Maritime Commission—responsible for their promotion and regulation and placed them under an agency—the Interstate Commerce Commission.

There were contributing factors resulting from the war such as the demand for speed because of the consumer goods shortage, the depletion of some of the ships because of war use and the entrenchment of the railroads in carrying the cargo that was once carried by the water carriers. None of these were, however, as disastrous as the placing of the industry under the jurisdiction of the ICC, which had, prior to the act, actively aided the railroads in obtaining increased freight tonnage.

Mr. President, I submit that the foregoing reasons are most important, and I urge Senators to pay close attention to them.

The bureaucratic and administrative roads and byways created by this legislation are far-reaching in scope. If we are to have an effective transportation program, one capable of resolving the complex problems of this dynamic age, then we must also have certain rules of the road as in any mode of transportation. I have tried to outline a most important rule or signpost today. In creating an independent autonomous Maritime Administration, we would be paying heed to these rules of the road.

We would be following established concepts of good government.

And, Mr. President, more importantly, we would be doing the right thing.

The PRESIDING OFFICER. All time for debate has expired.

Mr. JACKSON. Mr. President, I move that the Senate proceed to the consideration of H.R. 15963, Calendar No. 1628.

The PRESIDING OFFICER (Mr. MONTROYA in the Chair). The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 15963) to establish a Department of Transportation, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Washington.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. JACKSON. Mr. President, I move to strike out all after the enacting clause of H.R. 15963 and to insert in lieu thereof the text of S. 3010, as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Washington.

The motion was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

Mr. JACKSON. Mr. President, I ask for the yeas and nays on passage.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is: Shall it pass?

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. LONG of Louisiana. I announce that the Senator from Tennessee [Mr. BASS], the Senator from Idaho [Mr. CHURCH], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Michigan [Mr. HART], the Senator from Washington [Mr. MAGNUSON], the Senator from Maine [Mr. MUSKIE], the Senator from Virginia [Mr. ROBERTSON], and the Senator from Texas [Mr. YARBOROUGH] are absent on official business.

I also announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Mississippi [Mr. EASTLAND], the Senator from Alaska [Mr. GRUENING], the Senator from Arizona [Mr. HAYDEN], the Senator from North Carolina [Mr. JORDAN], the Senator from New Hampshire [Mr. MCINTYRE], the Senator from Montana [Mr. METCALF], the Senator from Minnesota [Mr. MONDALE], the Senator from Mississippi [Mr. STENNIS], and the Senator from Ohio [Mr. YOUNG] are necessarily absent.

I further announce that, if present and voting, the Senator from Idaho [Mr. CHURCH], the Senator from Alaska [Mr. GRUENING], the Senator from Michigan [Mr. HART], the Senator from Washington [Mr. MAGNUSON], the Senator from Maine [Mr. MUSKIE], the Senator from Texas [Mr. YARBOROUGH], the Senator from Ohio [Mr. YOUNG], the Senator from Montana [Mr. METCALF], and the Senator from Minnesota [Mr. MONDALE] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from Utah [Mr. BENNETT], the Senators from Kansas [Mr. CARLSON and Mr. PEARSON], the Senators from Kentucky [Mr. COOPER and Mr. MORTON], the Senators from Nebraska [Mr. CURTIS and Mr. HRUSKA], the Senator from Michigan [Mr. GRIFFIN], the Senator from Idaho [Mr. JORDAN], the Senator from Iowa [Mr. MILLER], the Senator from California [Mr. MURPHY], the Senator from South Carolina [Mr. THURMOND], and the Senator from Texas [Mr. TOWER] are necessarily absent.

The Senator from Hawaii [Mr. FONG], the Senator from California [Mr. KUCHEL], and the Senator from Pennsylvania [Mr. SCOTT] are absent on official business.

If present and voting, the Senator from Utah [Mr. BENNETT], the Senators from Kansas [Mr. CARLSON and Mr. PEARSON],

the Senator from Kentucky [Mr. MORTON], the Senators from Nebraska [Mr. CURTIS and Mr. HRUSKA], the Senator from Hawaii [Mr. FONG], the Senator from Michigan [Mr. GRIFFIN], the Senator from Idaho [Mr. JORDAN], the Senators from California [Mr. KUCHEL and Mr. MURPHY], the Senator from Iowa [Mr. MILLER], and the Senator from Pennsylvania [Mr. SCOTT] would each vote "yea."

On this vote, the Senator from South Carolina [Mr. THURMOND] is paired with the Senator from Texas [Mr. TOWER]. If present and voting, the Senator from South Carolina would vote "yea" and the Senator from Texas would vote "nay."

The result was announced—yeas 64, nays 2, as follows:

[No. 272 Leg.]

YEAS—64

Aiken	Harris	Mundt
Allott	Hartke	Nelson
Bartlett	Hickenlooper	Neuberger
Bayh	Hill	Pastore
Bible	Holland	Pell
Boggs	Inouye	Prouty
Brewster	Jackson	Randolph
Burdick	Javits	Ribicoff
Byrd, Va.	Kennedy, Mass.	Russell, S.C.
Byrd, W. Va.	Kennedy, N.Y.	Russell, Ga.
Cannon	Lausche	Saltonstall
Case	Long, Mo.	Simpson
Clark	Long, La.	Smathers
Cotton	Mansfield	Smith
Dirksen	McCarthy	Sparkman
Dodd	McClellan	Symington
Dominick	McGee	Talmadge
Douglas	McGovern	Tydings
Ellender	Monroney	Williams, N.J.
Ervin	Montoya	Williams, Del.
Fannin	Morse	
Gore	Moss	

NAYS—2

Proxmire Young, N. Dak.

NOT VOTING—34

Anderson	Hart	Murphy
Bass	Hayden	Muskie
Bennett	Hruska	Pearson
Carlson	Jordan, N.C.	Robertson
Church	Jordan, Idaho	Scott
Cooper	Kuchel	Stennis
Curtis	Magnuson	Thurmond
Eastland	McIntyre	Tower
Fong	Metcalf	Yarborough
Fulbright	Miller	Young, Ohio
Griffin	Mondale	
Gruening	Morton	

So the bill (H.R. 15963) was passed.

Mr. JACKSON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. MANSFIELD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JACKSON. Mr. President, I ask unanimous consent that S. 3010, Calendar No. 1627, be indefinitely postponed.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. JACKSON. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical changes in the engrossment of the bill just passed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, the senior Senator from Arkansas [Mr. McCLELLAN] is to be highly commended for adding another outstanding achievement to his already abundant record of accomplishments. This revolutionary measure which creates a Cabinet-level

Department for our Nation's vast transportation network surely could not have won such overwhelming Senate approval without the able and capable talent of the distinguished chairman of the Committee on Government Operations.

Sharing equal credit for this great success is the junior Senator from Washington [Mr. JACKSON] whose efforts to combine our major transportation administrations into a single department were exemplary. As he indicated so well in his remarks, our purpose is to assure the most efficient and constructive handling of the problems—existing and anticipated—of all carriers; motor, air, rail, and water. We thank Senator Jackson for the competent manner in which he joined to steer the measure to a decisive Senate endorsement.

The ranking committee member on the other side similarly deserves high praise for the abundant talent and tireless effort he applied to assuring this great success. I, of course, refer to the senior Senator from South Dakota [Mr. MUNDT]. His strong support and outstanding cooperation served immensely to bring swift, orderly, and overwhelming Senate acceptance.

To many other Senators go our thanks for expressing articulate and persuasive views on this measure. The senior Senator from Vermont [Mr. AIKEN], the senior and junior Senators from Massachusetts [Mr. SALTONSTALL and Mr. KENNEDY], and the junior Senator from Oklahoma [Mr. HARRIS] are to be commended for rising to urge their clear and convincing positions on this proposal. Equally laudable were the efforts of the senior Senators from Alaska [Mr. BARTLETT] and New York [Mr. JAVITS] and particularly the outstanding cooperative efforts of the senior Senator from Maryland [Mr. BREWSTER].

To the entire Senate, finally, goes another outstanding tribute. Again we have obtained an achievement worthy of this body. Again we have accomplished it with reasonable dispatch, with splendid cooperation and with consideration for the views of all.

DEPARTMENT OF DEFENSE APPROPRIATIONS BILL, 1967—CONFERENCE REPORT

Mr. RUSSELL of Georgia. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15941) making appropriations for the Department of Defense for the fiscal year ending June 30, 1967, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of Aug. 24, 1966, CONGRESSIONAL RECORD, pp. 19502, 19503.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

The PRESIDING OFFICER. The question is on adoption of the conference report.

Mr. RUSSELL of Georgia. Mr. President, I ask that the Senate disagree to the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was rejected.

Mr. RUSSELL of Georgia. Mr. President, I move that the Senate further insist on all of its amendments to H.R. 15941.

The PRESIDING OFFICER. The question is on the motion of the Senator from Georgia.

The motion was agreed to.

Mr. RUSSELL of Georgia. Mr. President, I move that the Senate reject the House amendments to the Senate amendments Nos. 10, 13, and 27.

The motion was agreed to.

Mr. RUSSELL of Georgia. Mr. President, I move that the Senate further insist on its amendments Nos. 5 and 24.

The motion was agreed to.

FEDERAL GRAND JURY INVESTIGATION OF THE AUGUST 15, 1966, DISTURBANCE IN ANACOSTIA

Mr. BYRD of West Virginia. Mr. President, today's Washington Star reports that the Citizens' Committee on the 11th Precinct, in its final report to the District of Columbia Board of Commissioners, has requested "a Federal grand jury investigation of the August 15 disturbance in Anacostia."

I am in accord with the view that such a grand jury probe is not only justified, but is absolutely necessary if the true facts underlining the persistent unrest in the 11th precinct are to be established.

Mr. President, on September 8, I wrote to Chief John B. Layton and asked why the matter was not presented to the grand jury. I ask unanimous consent that a copy of my letter to Chief Layton be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SEPTEMBER 8, 1966.

Chief JOHN B. LAYTON,
Metropolitan Police Department,
300 Indiana Avenue, NW.,
Washington, D.C.

DEAR CHIEF LAYTON: With reference to the recent disturbance in the Eleventh Precinct why was the matter not presented to the Grand Jury?

A complete and prompt report, together with any correspondence in connection therewith, will be appreciated.

Sincerely yours,

ROBERT C. BYRD,
U.S. Senator.

Mr. BYRD of West Virginia. Chief Layton, in his reply, dated September 12, stated that officials of the Police Department had recommended a grand jury inquiry in a meeting on August 19 with Mr. Harry T. Alexander, first assistant U.S. attorney, the U.S. attorney, Mr. David G. Bress, being out of the city at the time.

Chief Layton further stated that he formally brought the matter to the attention of Mr. Bress on August 22. Chief Layton stated that "after some discussion

of the facts and circumstances, Mr. Bress declined at that time to present this matter to a grand jury."

I ask unanimous consent to have printed in the RECORD the letter written to me on September 12 by Chief Layton.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

GOVERNMENT OF THE
DISTRICT OF COLUMBIA,
METROPOLITAN POLICE DEPARTMENT,
September 12, 1966.

HON. ROBERT C. BYRD,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BYRD: Receipt is acknowledged of your letter of September 8, 1966, with reference to the recent disturbance in the Eleventh Precinct.

In reply you are advised that a meeting was arranged for 2:00 p.m., Friday, August 19, 1966, with Mr. Harry T. Alexander, 1st Assistant United States Attorney, which was attended by Deputy Chief Howard F. Mowry, Inspector George E. Causey and Captain Tilton B. O'Bryant of this Department. These officials of the Department discussed with Mr. Alexander the circumstances and status of the investigation concerning the disturbance in the area of the Eleventh Precinct station house which took place on August 15, 1966, suggesting that this matter be presented for a Grand Jury inquiry. United States Attorney David G. Bress was out of the city at the time and a decision was delayed until his return.

As a result of the meeting on August 19th, Inspector Causey on August 22, 1966, submitted a written report regarding the incident, citing the probable violations of the D.C. Code and recommending this matter be brought to the attention of the United States Attorney. In accordance with that recommendation, I formally brought the matter to the attention of Mr. David G. Bress and on the same date August 22, 1966, at 5:00 p.m. a meeting was held with Deputy Chief Mowry, Inspector Causey and Captain O'Bryant again in attendance and during which the known facts and status of the investigation were presented to Mr. Bress and Mr. Alexander with a view to making a presentation to a Grand Jury. After some discussion of the facts and circumstances, Mr. Bress declined at that time to present this matter to a Grand Jury.

Trusting that this information will be of assistance to you and assuring you of our cooperation, I am

Sincerely yours,

JOHN B. LAYTON,
Chief of Police.

Mr. BYRD of West Virginia. Mr. President, I have not talked with Mr. Bress as to why he declined to proceed as had been recommended by the police department. Knowing that the final report of the citizens' committee was to have been made recently, but was temporarily delayed, I decided to await the outcome of the committee's study before pursuing the matter.

I am glad that the citizens' committee has cited the need for a grand jury probe, and I have this afternoon sent a telegram to Commissioner Tobriner, Mr. Bress, and Chief Layton, urging that immediate steps be taken to conduct such an investigation.

Mr. President, I ask unanimous consent that the telegram to which I have referred be printed in the RECORD at this point.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

SENATE APPROPRIATIONS COMMITTEE,
September 29, 1966.

HON. WALTER N. TOBRINER,
President, Board of Commissioners,
District of Columbia Government,
District Building, Washington, D.C.:

Chief JOHN B. LAYTON,
Metropolitan Police Department,
Washington, D.C.:

HON. DAVID G. BRESS,
U.S. Attorney, U.S. Courthouse,
Washington, D.C.:

I urge that immediate steps be taken leading to a Federal grand jury investigation of August 15 and subsequent disturbances in the 11th Precinct. Such an investigation should not necessarily be confined to the 11th Precinct area, but consideration should also be given to the inclusion of other precincts in which violence and serious disturbances have recently occurred. A grand jury probe is already overdue and only through such an investigation can the true facts be established regarding the causes of recent and persistent disorder in the Nation's Capital.

ROBERT C. BYRD,
U.S. Senator.

Mr. BYRD of West Virginia. Mr. President, there is a necessity for getting to the bottom of the deep and continuing unrest in the 11th precinct and other areas of this city. Too long there has been an apparent reluctance in the city to deal firmly with persons who have incited and participated in acts of violence, disorder, and open rebellion against constituted authority. There have been some indications of a hesitance, in certain areas of the city and in certain situations, to make arrests for misdemeanors, out of fear that general public disturbances or riots might follow. Whether or not this is the case should certainly be established, and if it is so, it should also be established precisely where the fault lies. Temporizing with lawbreakers, and failure to enforce the law without fear or favor, can only make bad matters worse, and encourage increasing violence. For lawbreakers are contemptuous of any sign of weakness on the part of those whose duty it is to enforce the law.

Moreover, it has been indicated that certain persons affiliated with antipov-erty programs in the 11th precinct have been active in organizing demonstrations and attacks upon police. A grand jury investigation would undoubtedly explore these reports, and determine just what influences are at work in fomenting trouble and unrest.

Mr. President, the police need all the backing they can get in the undeclared warfare being conducted against them by lawless, irresponsible, and militant elements in this city, and the law-abiding citizens, Negro and white, need protection against the rioters, the hoodlums, and the vandals who would harm their persons and destroy their property. A grand jury investigation into recent 11th precinct disorders is a good way to halt the retreat from law and order in that area of the Nation's Capital.

Such a duly constituted body would have the tools with which to get at the facts. Citizens and officials, including police, could divulge information without fear of retaliation from any source, and, more importantly, whatever penal and/or corrective actions are in order would be clearly revealed and set in motion.

The time is now. The need is now.
Action should be the order of the day.

LEGISLATIVE PROGRAM

Mr. MANSFIELD. Mr. President, for the information of the Senate, and after consultation with the policy committee, and I would hope with the approval of the leadership of the other side, because of the pileup in legislation, and our desire for a reasonably early adjournment, I wish to state that it is not the intention of the leadership, the distinguished minority leader, the Senator from Illinois, concurring, to call up the Monroney-Madden reorganization bill at this session of Congress. It is hoped, however, that it will be one of the very first orders of business when the Senate reconvenes again next January.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. HOLLAND. Does the Senator have definite plans as yet as to when he proposes to take up the foreign aid appropriation bill?

Mr. MANSFIELD. Tuesday is the best answer I can give at this moment.

Mr. HOLLAND. I thank the majority leader.

AS GOLD FLOWS OUT

Mr. SYMINGTON. Mr. President, some days ago the Senate Democratic policy committee recommended a resolution incident to removing a substantial number of troops from Europe.

The resolution was predicated on political and military changes which have occurred since the troops were first assigned; and also in recognition of the increasing fiscal and monetary problems characteristic of our own economy.

Thirty-one Senators now cosponsor this resolution. But there was a critical reaction expressed by some.

A thought-provoking and constructive lead editorial in the St. Louis Post-Dispatch of September 26, "As Gold Flows Out," spells out much of the thinking in the minds of those who recommended the above resolution.

This editorial notes that in April, May and June, the French obtained \$220,700,000 more U.S. gold—a significant figure in itself.

The editorial also presents that "the basic reason for the gold drain is our continuing unfavorable balance of international payments, despite the fact that we sell more than we buy abroad." It then adds:

Much of the trouble stems from military expenses.

But the major thrust of the editorial in question would seem to be contained in its last sentence, which reads:

The time to act is while the current co-operative atmosphere—

I add always excepting France—prevails, not after it is dissipated by an international crisis.

To those who for whatever reason believe the proposed resolution of the policy committee is wrong, I commend the facts as ably portrayed in this editorial,

and I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the St. Louis (Mo.) Post-Dispatch,
Sept. 26, 1966]

AS GOLD FLOWS OUT

The second quarter of this year would have brought a handsome increase in the American gold reserve, according to the Treasury, but for French persistence in "cashing" in dollars. France took \$220,700,000 in gold in April, May and June, yet our over-all loss was only \$208,000,000.

There is little excuse, however, for the Administration's unhappiness about Gen. De Gaulle's policy, unfriendly as it may be. He has the right to demand gold at the rate of \$35 an ounce. Furthermore, France has been repaying its postwar debts ahead of the due dates. The basic reason for the gold drain is our continuing unfavorable balance of international payments, despite the fact that we sell more than we buy abroad. Much of the trouble stems from military expenses.

The Treasury may find solace in the fact that while France has exchanged almost a billion and a half dollars for gold in the last 18 months, other governments have shown restraint in continuing to hold dollars in their reserves. But this could turn out to be merely a postponement of trouble. Foreign holdings of dollars are growing by somewhat less than a billion and a half a year—and each of those dollars is a potential demand on Fort Knox.

The last thing the world's leading money managers want is a "run" on the Treasury or even on the Bank of England. They know that a weakening of the dollar—or the British pound—could touch off a chain of devaluations, first of the two reserve currencies and then of the currencies tied to them. As in 1931, this could lead to a worldwide depression.

To preclude anything of the sort, the Federal Reserve, the Bank of England, 10 other central banks—not including the Bank of France—and the Bank for International Settlements recently reached a new agreement to extend massive credits to each other in case of a currency crisis. Primarily, this is a pledge of further support for the pound. It also is a warning to speculators and gold-hoarders of international determination not to allow them to upset the present monetary system.

Defending the status quo, however, is not enough. The American deficit has become one of the obstacles to the reform of the international monetary system through the establishment of new reserve asset which would reduce the need for gold and ease the strain on the dollar and the pound. The need for such a "credit reserve unit" has been acknowledged by the so-called Club of Ten—with France abstaining, of course. This involves, in a limited sense, an intermingling of currencies. So long as the dollar is under pressure it is a less desirable partner than it ought to be.

Clearly the Administration should take stronger measures against the payments deficit, and it should abandon any false pride in the dollar which may inhibit international monetary reform. The time to act is while the current co-operative atmosphere prevails, not after it is dissipated by an international crisis.

ORDER FOR ADJOURNMENT—AUTHORIZATION FOR COMMITTEES TO FILE REPORTS AND INDIVIDUAL VIEWS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, following

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D. C. 20250
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OFFICE OF BUDGET AND FINANCE
FOR INFORMATION ONLY;
(TO BE QUOTED OR CITED)

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For actions of October 4, 1966
89th-2nd; No. 168

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HIGHLIGHTS: House committee reported bill providing adjustment of Defense milk contracts when USDA orders prices raised. Rep. Dole spoke in support of "Bread and Butter Corps" bill. Senate passed poverty bill. Senate passed bill providing adjustment of Defense milk contracts when USDA orders prices raised. Rep. Findley urged House to sustain trade restriction provisions in food-for-peace bill. Rep. Berry stated we have agricultural trade deficit.

SENATE

1. **POVERTY.** Passed with amendment H. R. 15111, to continue and change various programs under the Economic Opportunity Act. S. 3164, the companion bill was indefinitely postponed. pp. 24111-12, 24113-62, 24163-67
2. **MILK.** Passed as reported S. 3834, to provide for price adjustments in contracts for the procurement of milk by the Defense Department when prices go up after USDA determinations. pp. 24090-2

3. EDUCATION. The Labor and Public Welfare Committee reported with amendments, Oct. 3, during adjournment, S. 3046, to strengthen and improve programs of assistance for elementary and secondary schools (S. Rept. 1674). p. 24076
Sen. Morse commended and inserted an article containing statistics on the quality of education throughout the country. pp. 24169-74
4. APPROPRIATIONS. Sen. Javits submitted an amendment, intended to be proposed by him, to H. R. 17888, the foreign aid appropriations bill, 1967 (p. 24082). This bill was made the unfinished business (pp. 24167-8).
5. MONETARY RESERVES. Sen. Hartke inserted a speech by Secretary of the Treasury Fowler on the subject of the creation of a world currency. pp. 24103-4
6. SCHOOL MILK. Sen. Proxmire spoke on the value of the school milk program. p. 24111
7. WATER POLLUTION. Sen. Nelson called for a Federal-State water pollution conference to draw up specific recommendations for dealing with the interstate pollution problem. pp. 24106-7
8. LEGISLATIVE PROGRAM. Sen. Mansfield announced that it is hoped that the foreign aid and public works appropriations bills, followed by the education bill will be considered today, Oct. 5. p. 24163

HOUSE

9. MILK. The Armed Services Committee reported with amendment H. R. 17500, ^{to} provide for price adjustments in contracts for the procurement of milk by the Defense Department when prices go up after USDA determinations (H. Rept. 2185). p. 24074
10. APPROPRIATIONS. Passed as reported, 319-18, H. R. 18119, the State-Justice-Commerce appropriation bill. pp. 23979-994
11. BANKING. Passed with amendments H. R. 17899, to strengthen the regulatory and supervisory authority of Federal agencies over insured banks and insured savings and loan associations, to increase the maximum amount of insured accounts or deposits, etc. pp. 23994-040
12. TRANSPORTATION. Conferees were appointed on H. R. 15963, to establish a Department of Transportation. p. 24040
13. SEA-GRANT COLLEGES. Agreed to the conference report on H. R. 16559, to authorize sea-grant colleges for education and research in marine resources. This bill will now be sent to the President. pp. 23977-8
14. BREAD AND BUTTER CORPS. Rep. Dole commended and discussed the purpose of the proposed "farmer-to-farmer program, or Bread and Butter Corps." pp. 24047-8
15. LeROUX RESIGNATION. Rep. Nelsen reviewed the "price-depressing policies that have been followed by the Department of Agriculture in this administration" and the resignation of Frank le Roux, FAS. pp. 23995-6
16. POVERTY. Rep. Rodino inserted a N. J. poverty agency analysis of the poverty program showing changes it thinks are necessary. pp. 24065-6

ninety days after the appropriate Federal banking agency or Board of Governors of the Federal Reserve System has notified the parties that the case has been submitted to it for final decision, it shall render its decision (which shall include findings of fact upon which its decision is predicated) and shall issue and serve upon each party to the proceeding an order or orders consistent with the provisions of this section. Judicial review of any such order shall be exclusively as provided in this subsection (h). Unless a petition for review is timely filed in a court of appeals of the United States, as hereinafter provided in paragraph (2) of this subsection, and thereafter until the record in the proceeding has been filed as so provided, the issuing agency may at any time, upon such notice and in such manner as it shall deem proper, modify, terminate, or set aside any such order. Upon such filing of the record, the agency may modify, terminate, or set aside any such order with permission of the court.

“(2) Any party to the proceeding, or any person required by an order issued under this section to cease and desist from any of the violations or practices stated therein, may obtain a review of any order served pursuant to paragraph (1) of this subsection (other than an order issued with the consent of the bank or the director or officer or other person concerned, or an order issued under paragraph (1) of subsection (g) of this section) by the filing in the court of appeals of the United States for the circuit in which the home office of the bank is located, or in the United States Court of Appeals for the District of Columbia Circuit, within thirty days after the date of service of such order, a written petition praying that the order of the agency be modified, terminated, or set aside. A copy of such petition shall be forthwith transmitted by the clerk of the court to the agency, and thereupon the agency shall file in the court the record in the proceeding, as provided in section 2112 of title 28 of the United States Code. Upon the filing of such petition, such court shall have jurisdiction, which upon the filing of the record shall except as provided in the last sentence of said paragraph (1) be exclusive, to affirm, modify, terminate, or set aside, in whole or in part, the order of the agency. Review of such proceedings shall be had as provided in chapter 7 of title 5 of the United States Code. The judgment and decree of the court shall be final, except that the same shall be subject to review by the Supreme Court upon certiorari, as provided in section 1254 of title 28 of the United States Code.

“(3) The commencement of proceedings for judicial review under paragraph (2) of this subsection shall not, unless specifically ordered by the court, operate as a stay of any order issued by the agency.

“(i) The appropriate Federal banking agency may in its discretion apply to the United States district court, or the United States court of any territory, within the jurisdiction of which the home office of the bank is located, for the enforcement of any effective and outstanding notice or order issued under this section, and such courts shall have jurisdiction and power to order and require compliance therewith; but except as otherwise provided in this section no court shall have jurisdiction to affect by injunction or otherwise the issuance or enforcement of any notice or order under this section, or to review, modify, suspend, terminate, or set aside any such notice or order.

“(j) Any director or officer, or former director or officer of an insured bank, or any other person, against whom there is outstanding and effective any notice or order (which is an order which has become final) served upon such director, officer, or other person under subsections (e) (5), (e) (7), (e) (8), or (g) of this section, and who (i) par-

ticipates in any manner in the conduct of the affairs of the bank involved, or directly or indirectly solicits or procures, or transfers or attempts to transfer, or votes or attempts to vote, any proxies, consents, or authorizations in respect of any voting rights in such bank, or (ii) without the prior written approval of the appropriate Federal banking agency, votes for a director, serves or acts as a director, officer, or employee of any bank, shall upon conviction be fined not more than \$5,000 or imprisoned for not more than one year, or both.

“(k) As used in this section (1) the terms “cease-and-desist order which has become final” and “order which has become final” mean a cease-and-desist order, or an order, issued by the appropriate Federal banking agency with the consent of the bank or the director or officer or other person concerned, or with respect to which no petition for review of the action of the agency has been filed and perfected in a court of appeals as specified in paragraph (2) of subsection (h), or with respect to which the action of the court in which said petition is so filed is not subject to further review by the Supreme Court of the United States in proceedings provided for in said paragraph, or an order issued under paragraph (1) of subsection (g) of this section, and (2) the term “vocation” includes without limitation any action (alone or with another or others) for or toward causing, bringing about, participating in, counseling, or aiding or abetting a violation.

“(l) Any service required or authorized to be made by the appropriate Federal banking agency under this section may be made by registered mail, or in such other manner reasonably calculated to give actual notice as the agency may by regulation or otherwise provide. Copies of any notice or order served by the agency upon any State bank or any director or officer thereof or other person participating in the conduct of its affairs, pursuant to the provisions of this section, shall also be sent to the appropriate State supervisory authority.

“(m) In connection with any proceeding under subsection (b), (c) (1), or (e) of this section involving an insured State bank or any director or officer or other person participating in the conduct of its affairs, the appropriate Federal banking agency shall provide the appropriate State supervisory authority with notice of the agency's intent to institute such a proceeding and the grounds therefor. Unless within such time as the Federal banking agency deems appropriate in the light of the circumstances of the case (which time must be specified in the notice prescribed in the preceding sentence) satisfactory corrective action is effectuated by action of the State supervisory authority, the agency may proceed as provided in this section. No bank or other party who is the subject of any notice or order issued by the agency under this section shall have standing to raise the requirements of this subsection as ground for attacking the validity of any such notice or order.

“(n) In the course of or in connection with any proceeding under this section, the agency conducting the proceeding, or any member or designated representative, thereof, including any person designated to conduct any hearing under this section, shall have the power to administer oaths and affirmations, to take or cause to be taken depositions, and to issue, revoke, quash, or modify subpoenas and subpoenas duces tecum; and such agency is empowered to make rules and regulations with respect to any such proceedings. The attendance of witnesses and the production of documents provided for in this subsection may be required from any place in any State or in any territory or other place subject to the jurisdiction of the United States at any designated place where such proceeding is being conducted. Any

party to proceedings under this section may apply to the United States District Court for the District of Columbia, or the United States district court for the judicial district or the United States court in any territory in which such proceeding is being conducted, or where the witness resides or carries on business, for enforcement of any subpoena or subpoena duces tecum issued pursuant to this subsection, and such courts shall have jurisdiction and power to order and require compliance therewith. Witnesses subpoenaed under this section shall be paid the same fees and mileage that are paid witnesses in the district courts of the United States. Any court having jurisdiction of any proceeding instituted under this section by an insured bank or a director or officer thereof, may allow to any such party such reasonable expenses and attorneys' fees as it deems just and proper; and such expenses and fees shall be paid by the bank or from its assets.

“Sec. 203. Subsections (b) and (c) of section 10 of the Federal Deposit Insurance Act (12 U.S.C. 1820 (b), (c)) are amended to read as follows:

“(b) The Board of Directors shall appoint examiners who shall have power, on behalf of the Corporation, to examine any insured State nonmember bank (except a District bank), any State nonmember bank making application to become an insured bank and any closed insured bank, whenever in the judgment of the Board of Directors an examination of the bank is necessary. In addition to the examinations provided for in the preceding sentence, such examiners shall have like power to make a special examination of any State member bank and any national bank or District bank, whenever in the judgment of the Board of Directors such special examination is necessary to determine the condition of any such bank for insurance purposes. In making examinations of insured banks, examiners appointed by the Corporation shall have power on behalf of the Corporation to make such examinations of the affairs of all affiliates of such banks as shall be necessary to disclose fully the relations between such banks and their affiliates and the effect of such relations upon such banks. Each examiner shall have power to make a thorough examination of all of the affairs of the bank and its affiliates, and shall make a full and detailed report of the condition of the bank to the Corporation. The Board of Directors in like manner shall appoint claim agents who shall have power to investigate and examine all claims for insured deposits. Each claim agent shall have power to administer oaths and affirmations and to examine and to take and preserve testimony under oath as to any matter in respect to claims for insured deposits, and to issue subpoenas and subpoenas duces tecum, and, for the enforcement thereof, to apply to the United States district court for the judicial district or the United States court in any territory in which the main office of the bank or affiliate thereof is located, or in which the witness resides or carries on business. Such courts shall have jurisdiction and power to order and require compliance with any such subpoena.

“(c) In connection with examinations of insured banks, and affiliates thereof, the appropriate Federal banking agency, or its designated representatives, shall have the power to administer oaths and affirmations and to examine and to take and preserve testimony under oath as to any matter in respect of the affairs or ownership of any such bank or affiliate thereof, and to issue subpoenas and subpoenas duces tecum, and, for the enforcement thereof, to apply to the United States district court for the judicial district or the United States court in any territory in which the main office of the bank or affiliate thereof is located, or in which the witness resides or carries on business. Such courts shall have jurisdiction

and power to order and require compliance with any such subpoena. For purposes of this section, the term "affiliate" shall have the same meaning as where used in section 2(b) of the Banking Act of 1933 (12 U.S.C. 221a(b)) except that the term "member bank" in said section 2(b) shall be deemed to refer to an insured bank."

"SEC. 204. The first five sentences of section 3(a) of the Federal Deposit Insurance Act (12 U.S.C. 1818(a)) are amended to read as follows:

"SEC. 8. (a) Any insured bank (except a national member bank or State member bank) may, upon not less than ninety days' written notice to the Corporation, terminate its status as an insured bank. Whenever the Board of Directors shall find that an insured bank or its directors or trustees have engaged or are engaging in unsafe or unsound practices in conducting the business of such bank, or is in an unsafe or unsound condition to continue operations as an insured bank, or violated an applicable law, rule, regulation or order, or any condition imposed in writing by the Corporation or any written agreement entered into with the Corporation, the Board of Directors shall first give to the Comptroller of the Currency in the case of a national bank or a District bank, to the authority having supervision of the bank in the case of a State bank, and to the Board of Governors of the Federal Reserve System in the case of a State member bank, a statement with respect to such practices or violations for the purpose of securing the correction thereof and shall give a copy thereof to the bank. Unless such correction shall be made within one hundred and twenty days, or such shorter period not less than twenty days fixed by the Corporation in any case where the Board of Directors in its discretion has determined that the insurance risk of the Corporation is unduly jeopardized, or fixed by the Comptroller of the Currency in the case of a national bank, or the State authority in the case of a State bank, or Board of Governors of the Federal Reserve System in the case of a State member bank as the case may be, the Board of Directors, if it shall determine to proceed further, shall give to the bank not less than thirty days' written notice of intention to terminate the status of the bank as an insured bank, and shall fix a time and place for a hearing before the Board of Directors or before a person designated by it to conduct such hearing, at which evidence may be produced, and upon such evidence the Board of Directors shall make written findings which shall be conclusive. If the Board of Directors shall find that any unsafe or unsound practice or condition or violation specified in such statement has been established and has not been corrected within the time above prescribed in which to make such corrections, the Board of Directors may order that the insured status of the bank be terminated on a date subsequent to such finding and to the expiration of the time specified in such notice of intention. Unless the bank shall appear at the hearing by a duly authorized representative, it shall be deemed to have consented to the termination of its status as an insured bank and termination of such status thereupon may be ordered. Any insured bank whose insured status has been terminated by order of the Board of Directors under this subsection shall have the right of judicial review of such order only to the same extent as provided for the review of orders under subsection (h) of this section."

"SEC. 205. Subsection 'Fourth' of section 9 of the Federal Deposit Insurance Act (12 U.S.C. 1819 "Fourth") is amended to read as follows:

"Fourth. To sue and be sued, complain and defend, in any court of law or equity, State or Federal. All suits of a civil nature at common law or in equity to which the Corporation shall be a party shall be

deemed to arise under the laws of the United States, and the United States district courts shall have original jurisdiction thereof, without regard to the amount in controversy; and the Corporation may, without bond or security, remove any such action, suit, or proceeding from a State court to the United States district court for the district or division embracing the place where the same is pending by following any procedure for removal now or hereafter in effect, except that any such suit to which the Corporation is a party in its capacity as receiver of a State bank and which involves only the rights or obligations of depositors, creditors, stockholders, and such State bank under State law shall not be deemed to arise under the laws of the United States. No attachment or execution shall be issued against the Corporation or its property before final judgment in any suit, action, or proceeding in any State, county, municipal, or United States court. The Board of Directors shall designate an agent upon whom service of process may be made in any State, Territory, or jurisdiction in which any insured bank is located."

"SEC. 206. Nothing contained in this title shall be construed to repeal, modify, or affect the provisions of section 19 of the Federal Deposit Insurance Act (12 U.S.C. 1829).

"SEC. 207. Section 30 of the Banking Act of 1933 (12 U.S.C. 77) is hereby repealed.

"TITLE III—INCREASE IN INSURANCE LIMIT

"SEC. 301. (a) The first sentence of section 3(m) of the Federal Deposit Insurance Act (12 U.S.C. 1813(m)) is amended by changing '\$10,000' to read '\$20,000' and such section is further amended by adding the following new sentence at the end: 'For the purpose of clarifying and defining the insurance coverage under this subsection and subsection (i) of section 7, the Corporation is hereby authorized to define, with such classifications and exceptions as it may prescribe, terms used in said subsections, in subsection (p) of section 3, and in subsections (a) and (i) of section 11 and the extent of the insurance coverage resulting therefrom.'

"(b) The first sentence of section 7(i) of the Federal Deposit Insurance Act (12 U.S.C. 1817(i)) is amended by changing '\$10,000' to read '\$20,000'.

"(c) The last sentence of section 11(a) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)) is amended to read: 'The maximum amount of the insured deposit of any depositor shall be \$20,000.'

"(d) The fifth sentence of section 11(i) of the Federal Deposit Insurance Act (12 U.S.C. 1821(i)) is amended by changing '\$10,000' to read '\$20,000'.

"(e) Section 401(b) of title IV of the National Housing Act (12 U.S.C. 1724(b)) is amended by changing '\$10,000' to read '\$20,000' each place it appears therein.

"(f) Section 405(a) of title IV of the National Housing Act (12 U.S.C. 1728(a)) is amended by changing '\$10,000' to read '\$20,000' and by adding the following new sentence at the end: 'For the purpose of clarifying and defining the insurance coverage under this subsection and subsection (b) of section 401, the Corporation is hereby authorized to define, with such classifications and exceptions as it may prescribe, terms used in said subsections and in subsection (c) of section 401 and the extent of the insurance coverage resulting therefrom.'

"(g) The amendments made by this section shall be effective only with respect to claims accruing after the date of enactment of this Act.

"TITLE IV—EXPIRATION

"SEC. 401. The provisions of titles I and II of this Act and any provisions of law enacted by said titles shall be effective only during the period ending at the close of June

30, 1968. Effective upon the expiration of such period, each provision of law amended by either of such titles is further amended to read as it did immediately prior to the enactment of this Act and each provision of law repealed by either of such titles is reenacted."

The amendment was agreed to.

The Senate bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

DEPARTMENT OF TRANSPORTATION

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 15963) to establish a Department of Transportation, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and request a conference with the Senate thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

The Chair hears none, and, without objection, appoints the following conferees: Messrs. HOLIFIELD, BROOKS, HARDY, REUSS, ERLBORN, and CLARENCE J. BROWN, Jr.

PROVIDING FOR CONSIDERATION OF H.R. 13161, ELEMENTARY AND SECONDARY EDUCATION AMENDMENTS OF 1966

Mr. PEPPER. Mr. Speaker, on behalf of the able gentleman from Indiana [Mr. MADDEN] and by direction of the Committee on Rules, I call up House Resolution 1025, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1025

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 13161) to strengthen and improve programs of assistance for our elementary and secondary schools. After general debate, which shall be confined to the bill and shall continue not to exceed four hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the committee amendment in the nature of a substitute now printed in the bill and such substitute for the purpose of amendment shall be considered under the five-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted and any Member may demand a separate vote in the

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HIGHLIGHTS: House agreed to conference report on child nutrition bill. House agreed to Senate amendments to bill revising Federal Seed Act. Rep. Langen criticized Administration's farm program.

HOUSE

1. FOOD FOR PEACE. Recommitted, 306-61, to conference H. R. 14929, the food-for-peace bill, with instructions to insist on the provision restricting sales of agricultural commodities to any nation that ships equipment, materials, or commodities to Cuba or North Vietnam. pp. 24314-25
2. CHILD NUTRITION. Agreed to the conference report on S. 3467, the child nutrition bill. pp. 24313-4

3. SEEDS. Agreed to Senate amendments to H. R. 15662, to revise the Federal Seed Act. This bill will now be sent to the President. p. 24313
4. POVERTY. Conferees were appointed on H. R. 15111, to continue and change various programs under the Economic Opportunity Act. p. 24326
5. EDUCATION. Began debate on H. R. 13161, to strengthen and improve programs of assistance for elementary and secondary schools. pp. 24328-47, 24377-8
6. FARM PROGRAM. Rep. Langen reviewed various criticisms of the Administration's farm program by the Republican Policy Committee. pp. 24365-6
7. RURAL DEVELOPMENT. Rep. Moeller recommended S. 2934, the rural community development districts bill. pp. 24378-9
8. FARM CREDIT. The Banking and Currency Committee reported without amendment S. J. Res. 153, to provide for medals in commemoration of the 50th anniversary of the Federal land bank system (H. Rept. 2193). p. 24387
9. CONSUMERS. Rep. Rosenthal reviewed and requested additional actions to protect consumers. pp. 24379-81
10. PERSONNEL; POVERTY. Rep. Bob Wilson claimed the administration is "hypocritical" in vetoing the Government employees' life insurance bill, then favoring the poverty bill. p. 24364

SENATE

11. LOANS. The Agriculture and Forestry Committee reported with amendments S. 688, to extend loan eligibility to non-profit corporations for rural renewal activities (S. Rept. 1676). p. 24184
12. EDUCATION. The Labor and Public Works Committee reported with amendments H. R. 14644, the proposed Higher Education Amendments of 1966 (S. Rept. 1677). p. 24184
Began debate on S. 3046, to strengthen and improve programs of assistance for elementary and secondary schools. pp. 24244, 24255-99
The Finance Committee reported without amendment H. R. 8664, to implement the Agreement on the Importation of Educational, Scientific, and Cultural Materials, opened for signature at Lake Success on Nov. 22, 1950 (S. Rept. 1679). p. 24184
13. TRANSPORTATION. Conferees were appointed on H. R. 15963, to establish a Department of Transportation. House conferees have been appointed. p. 24244
14. FOREIGN AID. Passed, 52-22, with amendments H. R. 17788, the foreign aid appropriation bill (pp. 24224-244). Agreed to an amendment by Sen. Ellender to reduce by \$27 million appropriations for development loans (pp. 24239-40). Conferees were appointed. House conferees have not been appointed.
15. FISH PROTEIN. Conferees were appointed on S. 2720, to authorize the Interior Department to develop practicable and economic means for production by the commercial fishing industry of fish protein concentrate. House conferees have not been appointed. pp. 24299-300

The assistant legislative clerk proceeded to call the roll.

Mr. PASTORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KUCHEL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KUCHEL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill having been read the third time, the question is, Shall it pass?

Mr. PASTORE. Mr. President, I yield whatever time the Senator from Florida may wish to take on the bill.

The PRESIDING OFFICER. The Senator from Florida.

Mr. HOLLAND. Mr. President, I ask for the yeas and nays on final passage.

The yeas and nays were ordered.

Mr. HOLLAND. Mr. President, I want the RECORD to correctly reflect what has happened on the bill so that credit may be given wherever it is due.

The amount of the authorization bill for title I as agreed to in the conference committee and approved by the House a few days ago was \$3,504 million.

The amount of the appropriation bill for title I as it came from the committee was \$3,046,490,500, or a reduction of \$458,509,500.

The reductions voted here on the floor of the Senate today are an additional \$110 million, if I have understood the various actions taken by the Senate this afternoon.

The result of those reductions, all told—that is, the \$458 million-plus voted in the Senate Appropriations Committee, and the \$110 million voted on the floor today—reduce the total amount of the bill, as it is now on third reading, under title I of the bill, to \$2,936,490,500.

The effect of this entire process has been to show a very substantial reduction under the authorization bill.

The Senate will recall that shortly after passage of the authorization bill the Senator from Florida announced on the floor of the Senate, as the RECORD will show, that he would expect the Senate to make a more substantial reduction in the authorized amount than had been made in earlier years because the authorized amount so far exceeded the amount authorized in the bill as it passed the Senate. The amount of the bill as it passed the Senate was \$2.852 billion.

So the amount of the bill as it is finally submitted for passage is near the amount of the authorization.

I thought it would be well to have a résumé of these various figures in order that the RECORD might correctly reflect the history of this particular measure.

The PRESIDING OFFICER. Do Senators yield back their time?

Mr. PASTORE. I yield back my time.

Mr. SALTONSTALL. I yield back my time.

The PRESIDING OFFICER. All time on the bill has been yielded back.

The question is, Shall the bill pass?

The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CANNON (after having voted in the affirmative). On this vote I have a pair with the senior Senator from Missouri [Mr. SYMINGTON]. If he were here and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." Therefore, I withdraw my vote.

Mr. LONG of Louisiana. I announce that the Senator from Tennessee [Mr. BASS], the Senator from Idaho [Mr. CHURCH], and the Senator from Wisconsin [Mr. NELSON] are absent on official business.

I also announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Connecticut [Mr. DODD], the Senator from Illinois [Mr. DOUGLAS], the Senator from Mississippi [Mr. EASTLAND], the Senator from Alaska [Mr. GRUENING], the Senator from Arizona [Mr. HAYDEN], the Senator from Washington [Mr. MAGNUSON], the Senator from Wyoming [Mr. McGEEL], the Senator from New Hampshire [Mr. McINTYRE], the Senator from Montana [Mr. METCALF], the Senator from Minnesota [Mr. MONDALE], the Senator from Connecticut [Mr. RIBICOFF], and the Senator from Missouri [Mr. SYMINGTON], are necessarily absent.

On this vote, the Senator from Mississippi [Mr. EASTLAND] is paired with the Senator from Connecticut [Mr. RIBICOFF]. If present and voting, the Senator from Mississippi would vote "nay" and the Senator from Connecticut would vote "yea."

I further announce that if present and voting, the Senator from Connecticut [Mr. DODD], the Senator from Wisconsin [Mr. NELSON], and the Senator from Alaska [Mr. GRUENING], would each vote "yea."

Mr. KUCHEL. I announce that the Senator from New Jersey [Mr. CASE], the Senator from Kentucky [Mr. COOPER], the Senators from Nebraska [Mr. CURTIS and Mr. HRUSKA], the Senator from Colorado [Mr. DOMINICK], the Senator from Michigan [Mr. GRIFFIN], the Senator from California [Mr. MURPHY], the Senator from Vermont [Mr. PROUTY], and the Senator from Texas [Mr. TOWER] are necessarily absent.

On this vote, the Senator from New Jersey [Mr. CASE] is paired with the Senator from Nebraska [Mr. CURTIS]. If present and voting, the Senator from New Jersey would vote "yea" and the Senator from Nebraska would vote "nay."

On this vote, the Senator from Colorado [Mr. DOMINICK] is paired with the Senator from Texas [Mr. TOWER]. If present and voting, the Senator from Colorado would vote "yea" and the Senator from Texas would vote "nay."

On this vote, the Senator from California [Mr. MURPHY] is paired with the Senator from Nebraska [Mr. HRUSKA]. If present and voting, the Senator from California would vote "yea" and the Senator from Nebraska would vote "nay."

The result was announced—yeas 52, nays 22, as follows:

[No. 282 Leg.]

YEAS—52

Aiken	Inouye	Muskie
Allott	Jackson	Neuberger
Bartlett	Javits	Pastore
Bayh	Kennedy, Mass.	Pearson
Boggs	Kennedy, N.Y.	Pell
Brewster	Kuchel	Proxmire
Byrd, W. Va.	Lausche	Randolph
Carlson	Long, Mo.	Saltonstall
Clark	Long, La.	Scott
Dirksen	Mansfield	Smathers
Fong	McCarthy	Smith
Fulbright	McGovern	Sparkman
Gore	Miller	Tydings
Harris	Monroney	Williams, N.J.
Hart	Montoya	Yarborough
Hickenlooper	Morton	Young, Ohio
Hill	Moss	
Holland	Mundt	

NAYS—22

Bennett	Hartke	Simpson
Bible	Jordan, N.C.	Stennis
Burdick	Jordan, Idaho	Talmadge
Byrd, Va.	McClellan	Thurmond
Cotton	Morse	Williams, Del.
Ellender	Robertson	Young, N. Dak.
Evin	Russell, S.C.	
Fannin	Russell, Ga.	

NOT VOTING—26

Anderson	Douglas	Metcalf
Bass	Eastland	Mondale
Cannon	Griffin	Murphy
Case	Gruening	Nelson
Church	Hayden	Prouty
Cooper	Hruska	Ribicoff
Curtis	Magnuson	Symington
Dodd	McGee	Tower
Dominick	McIntyre	

So the bill (H.R. 17788) was passed.

Mr. PASTORE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. SALTONSTALL and Mr. GORE moved to lay the motion on the table.

The motion to lay on the table was agreed to.

Mr. PASTORE. Mr. President, before I make my motion, I should like to say a word of praise to the members of the staff of the Appropriations Committee for their diligence, their competence, and their assistance in working out the bill. I refer particularly to Tom Scott, the head of the staff. I also pay a word of compliment to Bob Clark, who represents the minority side on the Appropriations Committee for his invaluable assistance.

Mr. President, I move that the Senate insist upon its amendments and request a conference with the House of Representatives thereon, and that the conferees on the part of the Senate be appointed by the Chair.

The motion was agreed to; and the Presiding Officer appointed Mr. PASTORE, Mr. RUSSELL of Georgia, Mr. ELLENDER, Mr. McCLELLAN, Mr. HOLLAND, Mr. MONRONEY, Mr. SALTONSTALL, Mrs. SMITH, and Mr. KUCHEL conferees on the part of the Senate.

Mr. MANSFIELD. Mr. President, words fail me in expressing my deep appreciation, indeed, I believe the appreciation of this entire body, to the distinguished Senator from Rhode Island [Mr. PASTORE], the distinguished Senator from Massachusetts [Mr. SALTONSTALL], and the distinguished Senator from Louisiana [Mr. ELLENDER] for the swift action obtained this afternoon.

I must admit that I am not only the most surprised man in this Chamber, but

also one of the happiest because it helps us get that much closer to adjournment.

The performance of the distinguished senior Senator from Rhode Island [Mr. PASTORE], in handling the foreign aid appropriations measure truly serves as an outstanding example for all of us. Notably, the proposal won decisive approval. Senator PASTORE's diligence, his competence and graciousness and, above all, his articulate presentation, assured its wide acceptance.

Notably too, the achievement was obtained as I said expeditiously, yet with total regard for the views of all Senators. For this we also are indebted to Senator PASTORE.

Joining to share the credit is Senator SALTONSTALL who again demonstrated the high effectiveness of his unfailing and articulate support.

Similarly, the senior Senators—from Florida [Mr. HOLLAND], from Pennsylvania [Mr. CLARK], and New York [Mr. JAVITS]—and the junior Senator from Indiana [Mr. BAYH] are to be commended for adding their splendid cooperation to bring about successful action.

Particularly though, I wish again to thank the distinguished senior Senator from Louisiana [Mr. ELLENDER] and add our commendation to the senior Senator from Oregon [Mr. MORSE] for the selfless manner in which they cooperated. Indeed, it is cooperation of this sort which, in the final analysis, will enable the Senate to reach adjournment in the shortest time possible.

ESTABLISHMENT OF A DEPARTMENT OF TRANSPORTATION

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H.R. 15963) to establish a Department of Transportation, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. JACKSON. I move that the Senate insist upon its amendments and agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McCLELLAN, Mr. JACKSON, Mr. RIBICOFF, Mr. HARRIS, Mr. MUNDT, and Mr. CURTIS conferees on the part of the Senate.

MEMBERSHIP IN THE PAN AMERICAN INSTITUTE OF GEOGRAPHY AND HISTORY AND AUTHORIZING APPROPRIATIONS THEREFOR

Mr. FULBRIGHT. Mr. President, I ask that the Chair lay before the Senate amendment of the House of Representatives to Senate Joint Resolution 108.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the resolution (S.J. Res. 108) to amend the joint resolution providing for membership of the United States in the Pan American

Institute of Geography and History and to authorize appropriations therefor, which was, to strike out all after the resolving clause and insert:

That Public Resolution 42, Seventy-fourth Congress, approved August 2, 1935 (22 U.S.C. 273), is amended to read as follows: "That in order to meet the obligations of the United States as a member of the Pan American Institute of Geography and History, there are authorized to be appropriated to the Department of State—

"(1) such sums, not to exceed \$90,300 annually, as may be required for the payment by the United States of its share of the expenses of the Institute, as apportioned in accordance with the statutes of the Institute; and

"(2) such additional sums as may be needed annually for the payment of all necessary expenses incident to participation by the United States in the activities of the Institute."

Mr. FULBRIGHT. Mr. President, the explanation of the amendment is very brief. Its purpose is to authorize \$90,300 a year for the U.S. share of the expenses of the Pan American Institute of Geography and History. As it passed the Senate, the resolution authorized \$75,000. The existing law authorizes \$50,000. The administration requested an open-end authorization, and the current U.S. assessment is \$150,000.

The net effect is that if we agree to the House amendment, the amount authorized will be \$90,300 per year, which is very slightly different from the Senate figure.

Therefore, I move that the Senate concur in the amendment of the House of Representatives.

The motion was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had agreed to a concurrent resolution (H. Con. Res. 1028) directing the Secretary of the Senate to correct the title of the bill, S. 3467, in which it requested the concurrence of the Senate.

CORRECTION OF TITLE OF S. 3467—HOUSE CONCURRENT RESOLUTION 1028

Mr. PASTORE. Mr. President, I ask unanimous consent that the Chair lay before the Senate the message from the House of Representatives on House Concurrent Resolution 1028, and that the Senate proceed immediately to its consideration.

The PRESIDING OFFICER. The concurrent resolution will be stated by title.

The LEGISLATIVE CLERK. A concurrent resolution (H. Con. Res. 1028) directing the Secretary of the Senate to correct the title of the bill (S. 3467).

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution (H. Con. Res. 1028) was considered and agreed to, as follows:

Resolved by the House of Representatives (the Senate concurring), That in the en-

rollment of the bill (S. 3467) to amend the National School Lunch Act, as amended, to strengthen and expand food service programs for children, the Secretary of the Senate be, and he is hereby, authorized and directed to correct the title so as to read: "An Act to strengthen and expand food service programs for children."

ELEMENTARY AND SECONDARY EDUCATION AMENDMENTS OF 1966

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1642, S. 3046, and that it be made the pending business.

The PRESIDING OFFICER. The bill will be stated by title.

The ASSISTANT LEGISLATIVE CLERK. A bill (S. 3046) to strengthen and improve programs of assistance for our elementary and secondary schools.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to the consideration of the bill which had been reported from the Committee on Labor and Public Welfare with amendments.

INCREASING ANNUITIES PAYABLE FROM THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business, S. 3046, be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 1623, S. 3247.

The PRESIDING OFFICER. The bill will be stated by title.

The ASSISTANT LEGISLATIVE CLERK. A bill (S. 3247) to provide certain increases in annuities payable from the Foreign Service Retirement and Disability Fund, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Foreign Relations, with amendments, on page 2, line 19, after "(c)", to insert "(1)"; on page 3, after line 6, to insert:

(2) In the event the Secretary determines that the price index shall have equaled a decrease of at least 3 per centum for three consecutive months under the price index for the latest base month, he shall make a detailed study to determine whether or not the annuities payable from the Fund should be adjusted to reflect the percentage decrease in the price index. In making such study the Secretary shall consider the specific items for which prices decreased, the likelihood of any further consecutive decreases in the price index, the type or types of annuities which should be adjusted, if any, and the extent of any such adjustment, and all other factors with respect to whether or not any such annuities should be adjusted. Upon the completion of any such study, the Secretary shall transmit to the President and Congress a full report thereon, together with his determination as to whether or not any such annuities should be adjusted and his recommendations for any legislation which he deems to be necessary or appropriate.

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insured savings and loan associations (H. Rept. 2232). p. 25145

17. AREA DEVELOPMENT. The Public Works Committee voted to report (but did not actually report) H. R. 10855, to amend the Public Works and Economic Development Act to permit designation of compact, contiguous areas with a population of over 200,000 as a redevelopment area. p. D986
 18. TRANSPORTATION. The conferees agreed to file a report on H. R. 15963, to create a Department of Transportation. p. D987
 19. PAPERWORK MANAGEMENT. Received from the Post Office and Civil Service Committee a report, "How To Cut Paperwork", describing activities of the National Archives and Records Service of the GSA and the work done by other Federal agencies to cut Federal Government paperwork (H. Rept. 2197).
- SENATE
20. APPROPRIATIONS. The Appropriations Committee reported with amendments H. R. 17636, the D. C. appropriation bill (S. Rept. 1706) (p. 24945), and the bill was made the unfinished business (p. 25004).
 21. HISTORIC SITES. Concurred in the House amendment to S. 3035, to establish a program for the preservation of additional historic properties throughout the Nation. This bill will now be sent to the President. pp. 24997-9
 22. TAXATION. The Finance Committee voted to report (but did not actually report) H. R. 7502, amended, relating to the income tax treatment of certain casualty losses attributable to major disasters, and H. R. 17607, amended, to suspend the investment credit and the allowance of accelerated depreciation in the case of certain real property. p. D983
 23. EDUCATION. The Labor and Public Welfare Committee voted to report (but did not actually report) H. R. 3348, amended, the proposed Veterinary Medical Educational Facilities Construction Act; H. R. 14643, amended, to provide for the strengthening of American educational resources for international studies and research; and H. R. 16715, to amend the Manpower Development and Training Act. p. D984
 24. SENIOR SERVICE CORPS. The Labor and Public Welfare Committee voted to report (but did not actually report) S. 2877, amended, to establish a National Community Senior Service Corps. p. D984
 25. FOOD FOR PEACE. Sen. McGovern called the House rejection of the food-for-peace conference report "a bad case of election year jitters." pp. 24953-4
 26. MEAT IMPORTS. Sen. Hruska claimed that meat imports are rising and urged Secretary Freeman "to keep the level of imports under constant review, with a view to imposing the quotas if necessary." pp. 24957-8
 27. WATERSHEDS. The Public Works Committee approved work plans for several watershed projects. p. 24971
 28. ECONOMY. Sen. Long, Mo., inserted an address by the Secretary of the Treasury in which he "outlined the achievements of our economy since 1961 and explained clearly the administration's program to meet the current challenge." pp. 24972-4

29. LEGISLATIVE PROGRAM. Sen. Mansfield announced that on Wed. the Senate will consider the D. C. appropriation bill and the conference report on the public works appropriation bill, followed by the international education bill, the State, Justice, and Commerce appropriation bill, and the investment tax credit bill. pp. 25007-8

ITEMS IN APPENDIX

30. PERSONNEL. Sen. Byrd, Va., inserted an editorial, "Bill of Rights for Federal Workers", favoring legislation to protect employees from invasion of privacy. p. A5220
31. POVERTY. Extension of remarks of Rep. Edwards, Calif., defending the Job Corps program. pp. A5220-1
Rep. Pucinski inserted an article, "Something Good in the Job Corps." p. A5254
32. DEMONSTRATION CITIES. Extension of remarks of Rep. Fino criticizing and inserting excerpts from the demonstration cities bill. pp. A5222-3
33. LEGISLATIVE ACCOMPLISHMENTS. Reps. Hutchinson and Rumsfeld reported on the accomplishments of the 89th Congress. pp. A5231-2, A5252-3
34. LANDS. Extension of remarks of Rep. Hall urging action on his bill to revise Federal land-acquisition policies and inserting an article, "Land-Taking Laws Aren't Fair." pp. A5235-6
35. FOOD FOR PEACE. Speech in the House by Rep. Olson, Minn., inserting a constituent's letter from India urging removal of the House restrictions on this bill. p. A5236
36. OPINION POLL. Rep. Randall inserted the results of an opinion poll, including items of interest to this Department. pp. A5253-4

BILLS INTRODUCED

37. PERSONNEL. H. R. 18276 by Rep. Flood, to amend the Civil Service Retirement Act, as amended, with respect to survivor annuities; to Post Office and Civil Service Committee.
38. CREDIT. H. R. 18283 by Rep. Ottinger, to assist in the production of economic stabilization by requiring the disclosure of finance charges in connection with extensions of credit; to Banking and Currency Committee.
39. LABELING. H. Con. Res. 1036 by Rep. Gurney, expressing the sense of the Congress with respect to certain proposed regulations of the Food and Drug Administration relating to the labeling and content of diet foods and diet supplements; to Interstate and Foreign Commerce Committee. Remarks of author p. 25109

BILLS APPROVED BY THE PRESIDENT

40. PERSONNEL; SUPERGRADES. S. 2393, to authorize additional GS-16, GS-17, and GS-18 positions for use in agencies or functions created or substantially expanded after June 30, 1965. Approved Oct. 8, 1966 (Public Law 89-632).

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D. C. 20250
OFFICIAL BUSINESS

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89th-2nd; No. 175

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HIGHLIGHTS: Senate agreed to conference report on public works appropriation bill. Sen. McGovern spoke on fertilizer as key to world food production. Rules Committee denied rule on summer school lunch program. Sen. Nelson introduced and discussed bill to authorize USDA control of erosion and sediment damage on streams.

SENATE

1. **APPROPRIATIONS.** Agreed to the conference report on H. R. 17787, the public works appropriation bill. This bill will now be sent to the President. pp. 25265-78
Passed as reported H. R. 17636, the D. C. appropriation bill. Senate conferees were appointed. House conferees have not been appointed. pp. 25308-13
2. **FARM PROGRAM.** Sen. Montoya inserted articles describing Secretary Freeman's administration of the farm program. pp. 25306-8
3. **FERTILIZER.** Sen. McGovern spoke on fertilizer as the key to sufficient world food production. pp. 25374-85

4. EXPORT-IMPORT BANK. Received from the President a statement of his determination that it is in the national interest for the Export-Import Bank to issue guarantees in connection with the sale of U. S. products and services to Bulgaria, Czechoslovakia, Hungary, and Poland; to Appropriations Committee. p. 25260
5. WATERSHEDS. Received from the Budget Bureau various watershed reports; to Public Works Committee. p. 25260
6. EDUCATION. The Labor and Public Welfare Committee reported with amendments H. R. 3348, to authorize a program for construction of facilities for the teaching of veterinary medicine and a program of loans for students of veterinary medicine (S. Rept. 1714), and H. R. 14643, to provide for strengthening American educational resources for international studies and research (S. Rept. 1715). p. 25261
7. MANPOWER; TRAINING. The Labor and Public Welfare Committee reported without amendment H. R. 16715, to make various amendments to the Manpower Development and Training Act (S. Rept. 1712). p. 25261
8. RIVER BASIN. The Interior and Insular Affairs Committee reported with amendments H. R. 13955, to establish the past and present location of a portion of the Colorado River (S. Rept. 1717). p. 25261
9. CLAIMS. Agreed to the House amendment to H. R. 1665, providing for advisory services by the Court of Claims on congressional consideration of private bills. This bill will now be sent to the President. p. 25374
10. LIVESTOCK EXPORTS. Authorized the Small Business Committee to submit a report, "Potentials and Problems of Expanding U. S. Livestock Exports," during adjournment of this session of Congress. p. 25262

HOUSE

11. TRANSPORTATION. Received the conference report on H. R. 15963, to establish a Department of Transportation (H. Rept. 2236). pp. 25161-69
12. COPYRIGHTS. The Judiciary Committee reported with amendment H. R. 4347, to revise the copyright law (H. Rept. 2237). p. 25257
13. RECREATION. The Rules Committee reported a resolution for consideration of H. R. 13447, to authorize the Secretary of the Interior in cooperation with the States to preserve, protect, develop, restore, and make accessible estuarine areas which are valuable for sport and commercial fishing, wildlife conservation, recreation, and scenic beauty. p. 25257
Rep. Don H. Clausen spoke in support of his Redwood National Park bill. pp. 25240-43
14. RIVERS AND HARBORS. The Rules Committee reported a resolution for consideration of H. R. 18233, the omnibus rivers and harbor bill. p. 25257
15. CLEAN AIR. Received the conference report on S. 3112, to amend the Clean Air Act (H. Rept. 2256). p. 25209

And, according to that unanimous request, which was adopted, further consideration of the bill is postponed until Friday next.

Mr. HALLECK. Mr. Speaker, in view of the statement of the Speaker, I withdraw my point of order.

The SPEAKER. The gentleman from Indiana withdraws his point of order.

FINANCIAL INSTITUTIONS SUPERVISORY ACT OF 1966

Mr. PATMAN. Mr. Speaker, I call up the conference report on the bill (S. 3158) to strengthen the regulatory and supervisory authority of Federal agencies over insured banks and insured savings and loan associations, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of October 11, 1966.)

GENERAL LEAVE TO EXTEND

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks at this point in the RECORD and ask unanimous consent that all Members be permitted to extend their remarks and include extraneous matter on this conference report.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, we have before us the conference report on the bill to strengthen the regulatory and supervisory authority of Federal agencies over insured savings and loan associations and insured banks. This bill was passed by the House on October 4, after an amendment substituting the language contained in H.R. 17899. H.R. 17899 was substantially similar to the bill passed by the other body, except for title III increasing the Federal deposit insurance from \$10,000 to \$15,000. Also, title IV of H.R. 17899 provided for a termination date of June 30, 1968. The bill was amended on the floor in several respects. The most important amendment was further increasing deposit insurance to \$20,000.

Because of the opposition to titles I and II, providing for cease and desist and officer removal authority, advanced by the Independent Bankers Association of America, the National League of Insured Savings Associations, and the National Association of Supervisors of State Banks, the House approved this legislation on the understanding that it would be temporary except for the insurance increase. While supporting the insurance increase, these organizations made the very valid observation that legislation as important as this should be thoroughly investigated by the Congress because of its far-reaching effects. In or-

der to accommodate the supervisory agencies who are very anxious for this increased authority, the House acted without further delay.

The bill as passed by the other body provided for this new authority on a permanent basis and made no provision at all for an insurance increase. Yesterday, after agreeing to a conference requested by the other body, the House conferees unanimously agreed that the new authority would expire on June 30, 1972, and that the deposit insurance increase, which of course would be permanent, be \$15,000 instead of the \$20,000 as provided in the House-passed bill. While preferring a shorter trial period for the cease and desist and officer removal authority than as agreed upon by the conferees, I must remind my colleagues that the bill as passed by the other body contained no insurance increase and the \$15,000 agreed upon is the same as that reported out by your Committee on Banking and Currency on September 24. So, I think that this is certainly a reasonable solution to the differences between the two houses. I also bring to the attention of my colleagues the language in the conference report, insisted upon by the House conferees, that the Congress will carefully scrutinize administration of the new law as experience is gained, as well as considering a further increase in the insurance ceiling without necessarily waiting until 1972.

Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

DEPARTMENT OF TRANSPORTATION ACT

Mr. HOLIFIELD submitted the following conference report and statement on the bill (H.R. 15963) to establish a Department of Transportation, and for other purposes.

The conference report and statement follow:

CONFERENCE REPORT (H. REPT. NO. 2236)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 15963) to establish a Department of Transportation, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to

That the House recede from its disagreement their respective Houses as follows:

ment to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That this Act may be cited as the 'Department of Transportation Act'.

"DECLARATION OF PURPOSE

"SEC. 2. (a) The Congress hereby declares that the general welfare, the economic growth and stability of the Nation and its security require the development of national transportation policies and programs conducive to the provision of fast, safe, efficient, and convenient transportation at the lowest cost consistent therewith and with other national objectives, including the efficient utili-

zation and conservation of the Nation's resources.

"(b) (1) The Congress therefore finds that the establishment of a Department of Transportation is necessary in the public interest and to assure the coordinated, effective administration of the transportation programs of the Federal Government; to facilitate the development and improvement of coordinated transportation service, to be provided by private enterprise to the maximum extent feasible; to encourage cooperation of Federal, State, and local governments, carriers, labor, and other interested parties toward the achievement of national transportation objectives; to stimulate technological advances in transportation; to provide general leadership in the identification and solution of transportation problems; and to develop and recommend to the President and the Congress for approval national transportation policies and programs to accomplish these objectives with full and appropriate consideration of the needs of the public, users, carriers, industry, labor, and the national defense.

"(2) It is hereby declared to be the national policy that special efforts should be made to preserve the natural beauty of the countryside and public park and recreation lands, wildlife and waterfowl refuges, and historic sites.

"ESTABLISHMENT OF DEPARTMENT

"SEC. 3. (a) There is hereby established at the seat of government an executive department to be known as the Department of Transportation (hereafter referred to in this Act as the 'Department'). There shall be at the head of the Department a Secretary of Transportation (hereafter referred to in this Act as the 'Secretary'), who shall be appointed by the President, by and with the advice and consent of the Senate.

"(b) There shall be in the Department an Under Secretary, who shall be appointed by the President, by and with the advice and consent of the Senate. The Under Secretary (or, during the absence or disability of the Under Secretary, or in the event of a vacancy in the office of Under Secretary, an Assistant Secretary or the General Counsel, determined according to such order as the Secretary shall prescribe) shall act for, and exercise the powers of the Secretary, during the absence or disability of the Secretary or in the event of a vacancy in the office of Secretary. The Under Secretary shall perform such functions, powers, and duties as the Secretary shall prescribe from time to time.

"(c) There shall be in the Department four Assistant Secretaries and a General Counsel, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall perform such functions, powers, and duties as the Secretary shall prescribe from time to time.

"(d) There shall be in the Department an Assistant Secretary for Administration, who shall be appointed, with the approval of the President, by the Secretary under the classified civil service who shall perform such functions, powers, and duties as the Secretary shall prescribe from time to time.

"(e) (1) There is hereby established within the Department a Federal Highway Administration; a Federal Railroad Administration; and a Federal Aviation Administration. Each of these components shall be headed by an Administrator, and in the case of the Federal Aviation Administration there shall also be a Deputy Administrator. The Administrators and the Deputy Federal Aviation Administrator shall be appointed by the President, by and with the advice and consent of the Senate.

"(2) The qualifications of the Administrator of the Federal Aviation Agency specified in section 301(b) of the Federal Aviation Act of 1958, as amended (72 Stat. 744; 49 U.S.C. 1341), and the qualifications and status of

the Deputy Administrator specified in section 302(b) of the Federal Aviation Act of 1958, as amended (72 Stat. 744; 49 U.S.C. 1342), shall apply, respectively, to the Administrator and Deputy Administrator of the Federal Aviation Administration. However, nothing in this Act shall be construed to preclude the appointment of the present Administrator of the Federal Aviation Agency as Administrator of the Federal Aviation Administration in accordance with the provisions of the Act of June 22, 1965, as amended (79 Stat. 171).

"(3) In addition to such functions, powers, and duties as are specified in this Act to be carried out by the Administrator, the Administrators and the Commandant of the Coast Guard shall carry out such additional functions, powers, and duties as the Secretary may prescribe. The Administrators and the Commandant of the Coast Guard shall report directly to the Secretary.

"(4) The functions, powers, and duties specified in this Act to be carried out by each Administrator shall not be transferred elsewhere in the Department unless specifically provided for by reorganization plan submitted pursuant to provisions of chapter 9 of title 5, United States Code, or by statute.

"(f)(1) The Secretary shall carry out the provisions of the National Traffic and Motor Vehicle Safety Act of 1966 (80 Stat. 718) through a National Traffic Safety Bureau (hereafter referred to in this paragraph as "Bureau"), which he shall establish in the Department of Transportation. The Bureau shall be headed by a Director who shall be appointed by the President, by and with the advice and consent of the Senate, and shall be compensated at the rate prescribed for level V of the Executive Schedule. All other provisions of the National Traffic and Motor Vehicle Safety Act of 1966 shall apply.

"(2) The Secretary shall carry out the provisions of the Highway Safety Act of 1966 (80 Stat. 731) (including chapter 4 of title 23 of the United States Code) through a National Highway Safety Bureau (hereafter referred to in this paragraph as "Bureau"), which he shall establish in the Department of Transportation. The Bureau shall be headed by a Director who shall be appointed by the President, by and with the advice and consent of the Senate, who shall be compensated at the rate prescribed for level V of the Executive Schedule. All other provisions of the Highway Safety Act of 1966 shall apply.

"(3) The President is authorized, as provided in section 201 of the Highway Safety Act of 1966, to carry out the provisions of the National Traffic and Motor Vehicle Safety Act of 1966 through the Bureau and Director authorized by section 201 of the Highway Safety Act of 1966.

"(4) The office of Federal Highway Administrator, created by section 303 of title 23, United States Code, is hereby transferred to and continued within the Department under the title Director of Public Roads. The Director shall be the operating head of the Bureau of Public Roads, or any other agency created within the Department to carry out the primary functions carried out immediately before the effective date of this Act by the Bureau of Public Roads.

"GENERAL PROVISIONS

"SEC. 4. (a) The Secretary in carrying out the purposes of this Act shall, among his responsibilities, exercise leadership under the direction of the President in transportation matters, including those affecting the national defense and those involving national or regional emergencies; provide leadership in the development of national transportation policies and programs, and make recommendations to the President and the Congress for their consideration and implementation; promote and undertake development, collection, and dissemination of technological, statistical, economic, and

other information relevant to domestic and international transportation; consult and cooperate with the Secretary of Labor in gathering information regarding the status of labor-management contracts and other labor-management problems and in promoting industrial harmony and stable employment conditions in all modes of transportation; promote and undertake research and development relating to transportation, including noise abatement, with particular attention to aircraft noise; consult with the heads of other Federal departments and agencies on the transportation requirements of the Government, including the procurement of transportation or the operation of their own transport services in order to encourage them to establish and observe policies consistent with the maintenance of a coordinated transportation system; and consult and cooperate with State and local governments, carriers, labor, and other interested parties, including, when appropriate, holding informal public hearings.

"(b)(1) In carrying out his duties and responsibilities under this Act, the Secretary shall be governed by all applicable statutes including the policy standards set forth in the Federal Aviation Act of 1958, as amended (49 U.S.C. 1301 et seq.); the national transportation policy of the Interstate Commerce Act, as amended (49 U.S.C., preceding §§ 1, 301, 901, and 1001); title 23, United States Code, relating to Federal-aid highways; and title 14 U.S.C., titles LII and LIII of the Revised Statutes (46 U.S.C., chs. 2A, 7, 11, 14, 15, and 18), the Act of April 25, 1940, as amended (54 Stat. 163; 46 U.S.C. 526-526u), and the Act of September 2, 1958, as amended (72 Stat. 1754; 46 U.S.C. 527-527h), relating to the United States Coast Guard.

"(2) Nothing in this Act shall be construed to authorize, without appropriate action by Congress, the adoption, revision, or implementation of—

"(A) any transportation policy, or

"(B) any investment standards or criteria.

"(3) In exercising the functions, powers, and duties conferred on and transferred to the Secretary by this Act, the Secretary shall give full consideration to the need for operational continuity of the functions transferred, to the need for effectiveness and safety in transportation systems, and to the needs of the national defense.

"(c) Orders and actions of the Secretary or the National Transportation Safety Board in the exercise of functions, powers, and duties transferred under this Act, and orders and actions of the Administrators pursuant to the functions, powers, and duties specifically assigned to them by this Act shall be subject to judicial review to the same extent and in the same manner as if such orders and actions had been by the department or agency exercising such functions, powers, and duties immediately preceding their transfer. Any statutory requirements relating to notice, hearings, action upon the record, or administrative review that apply to any function transferred by this Act shall apply to the exercise of such functions by the Secretary, the Administrators, or the National Transportation Safety Board.

"(d) In the exercise of the functions, powers, and duties transferred under this Act, the Secretary, the Administrators, and the National Transportation Safety Board shall have the same authority as that vested in the department or agency exercising such functions, powers, and duties immediately preceding their transfer, and their actions in exercising such functions, powers, and duties shall have the same force and effect as when exercised by such department or agency.

"(e) It shall be the duty of the Secretary—

"(1) to promptly investigate the safety compliance records in the Department of each applicant seeking operating authority from the Interstate Commerce Commission

(referred to in this subsection as the 'Commission') and to report his findings to the Commission;

"(2) when the safety record of an applicant for permanent operating authority, or for approval of a proposed transaction involving transfer of operating authority, fails to satisfy the Secretary, to intervene and present evidence of such applicant's fitness in Commission proceedings;

"(3) to furnish promptly upon request of the Commission a statement regarding the safety record of any applicant seeking temporary operating authority from the Commission; and

"(4) (A) to furnish upon request of the Commission a complete report of the safety compliance of any carrier, (B) to have made such additional inspections or safety compliance surveys which the Commission deems necessary or desirable in order to process an application or to determine the fitness of a carrier, and (C) if the Commission so requests, to intervene and present evidence in any proceeding in which a determination of fitness is required.

"(f) The Secretary shall cooperate and consult with the Secretaries of the Interior, Housing and Urban Development, and Agriculture, and with the States in developing transportation plans and programs that include measures to maintain or enhance the natural beauty of the lands traversed. After the effective date of this Act, the Secretary shall not approve any program or project which requires the use of any land from a public park, recreation area, wildlife and waterfowl refuge, or historic site unless (1) there is no feasible and prudent alternative to the use of such land, and (2) such program includes all possible planning to minimize harm to such park, recreational area, wildlife and waterfowl refuge, or historic site resulting from such use.

"(g) The Secretary and the Secretary of Housing and Urban Development shall consult and exchange information regarding their respective transportation policies and activities; carry on joint planning, research and other activities; and coordinate assistance for local transportation projects. They shall jointly study how Federal policies and programs can assure that urban transportation systems most effectively serve both national transportation needs and the comprehensively planned development of urban areas. They shall, within one year after the effective date of this Act, and annually thereafter, report to the President, for submission to the Congress, on their studies and other activities under this subsection, including any legislative recommendations which they determine to be desirable. The Secretary and the Secretary of Housing and Urban Development shall study and report within one year after the effective date of this Act to the President and the Congress on the logical and efficient organization and location of urban mass transportation functions in the Executive Branch.

"NATIONAL TRANSPORTATION SAFETY BOARD

"SEC. 5. (a) There is hereby established within the Department a National Transportation Safety Board (referred to hereafter in this Act as 'Board').

"(b) There are hereby transferred to, and it shall be the duty of the Board to exercise, the functions, powers, and duties transferred to the Secretary by sections 6 and 8 of this Act with regard to—

"(1) determining the cause or probable cause of transportation accidents and reporting the facts, conditions, and circumstances relating to such accidents; and

"(2) reviewing on appeal the suspension, amendment, modification, revocation, or denial of any certificate or license issued by the Secretary or by an Administrator.

"(c) The Board shall exercise the functions, powers, and duties relating to aircraft

accident investigations transferred to the Secretary by section 6(d) of this Act.

"(d) The Board is further authorized to—

"(1) make such recommendations to the Secretary or Administrators on the basis of the exercise of its functions, powers, and duties which, in its opinion, will tend to prevent transportation accidents and promote transportation safety;

"(2) conduct special studies on matters pertaining to safety in transportation and the prevention of accidents;

"(3) insure that in cases in which it is required to determine cause or probable cause, reports of investigation adequately state the circumstances of the accident involved;

"(4) initiate on its own motion or conduct rail, highway, or pipeline accident investigations as the Board deems necessary or appropriate;

"(5) make recommendations to the Secretary or Administrators concerning rules, regulations, and procedures for the conduct of accident investigations;

"(6) request the Secretary or Administrators to initiate specific accident investigations or conduct further investigations as the Board determines to be necessary or appropriate;

"(7) arrange for the personal participation of members or other personnel of the Board in accident investigations conducted by the Secretary or Administrators in such cases as it deems appropriate; and

"(8) request from the Secretary or Administrators notification of transportation accidents and reports of such accidents as the Board deems necessary.

"(e) Except as otherwise provided by statute, the Board shall make public all reports, orders, decisions, rules, and regulations issued pursuant to sections 5(b)(1) and 5(b)(2), and the Board shall also make public—

"(1) every recommendation made to the Secretary or an Administrator;

"(2) every special study conducted; and

"(3) every action of the Board requesting the Secretary or an Administrator to take action,

pursuant to section 5(d) (1), (2), (3), (5), (6), or (8).

"(f) In the exercise of its functions, powers, and duties, the Board shall be independent of the Secretary and the other offices and officers of the Department.

"(g) The Board shall report to the Congress annually on the conduct of its functions under this Act and the effectiveness of accident investigations in the Department, together with such recommendations for legislation as it may deem appropriate.

"(h) The Board shall consist of five members to be appointed by the President, by and with the advice and consent of the Senate. No more than three members of the Board shall be of the same political party. Members of the Board shall be appointed with due regard to their fitness for the efficient dispatch of the functions, powers, and duties vested in and imposed upon the Board, and may be removed by the President for inefficiency, neglect of duty, or malfeasance in office.

"(i) Members of the Board shall be appointed for terms of five years, except that (1) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term, and (2) the five members first appointed shall serve for terms (designated by the President at the time of appointment) ending on the last day of the first, second, third, fourth, and fifth calendar years beginning after the year of enactment of this Act. Upon the expiration of his term of

office, a member shall continue to serve until his successor is appointed and shall have qualified.

"(j) The President shall designate from time to time one of the members of the Board as Chairman and one of the members as Vice Chairman, who shall act as Chairman in the absence or incapacity of the Chairman, or in the event of a vacancy in the office of the Chairman. The Chairman shall be the chief executive and administrative officer of the Board and shall exercise the responsibility of the Board with respect to (1) the appointment and supervision of personnel employed by the Board; (2) the distribution of business among the Board's personnel; and (3) the use and expenditure of funds. In executing and administering the functions of the Board on its behalf, the Chairman shall be governed by the general policies of the Board and by its decisions, findings, and determinations. Three of the members shall constitute a quorum of the Board.

"(k) The Board is authorized to establish such rules, regulations, and procedures as are necessary to the exercise of its functions.

"(l) In carrying out its functions, the Board (or, upon the authorization of the Board, any member thereof or any hearing examiner assigned to or employed by the Board) shall have the same powers as are vested in the Secretary to hold hearings, sign and issue subpoenas, administer oaths, examine witnesses, and receive evidence at any place in the United States it may designate.

"(m) The Board may delegate to any officer or official of the Board, or, with the approval of the Secretary, to any officer or official of the Department such of its functions as it may deem appropriate, except that—

"(1) with respect to aviation, the proviso in section 701(g) of the Federal Aviation Act of 1958, as amended (72 Stat. 782; 49 U.S.C. 1441(g)) shall apply to the Secretary, the Federal Aviation Administrator and their representatives, and

"(2) the Board shall not delegate the appellate or determination of probable cause functions transferred to it by section 6(d) of this Act.

"(n) Subject to the civil service and classification laws, the Board is authorized to select, appoint, employ, and fix compensation of such officers and employees, including investigators, attorneys and hearing examiners, as shall be necessary to carry out its powers and duties under this Act.

"(o) The Board is authorized, on a reimbursable basis when appropriate, to use the available services, equipment, personnel, and facilities of the Department and of other civilian or military agencies and instrumentalities of the Federal Government, and to cooperate with the Department and such other agencies and instrumentalities in the establishment and use of services, equipment, and facilities of the Board. The Board is further authorized to confer with and avail itself of the cooperation, services, records, and facilities of State, territorial, municipal, or other local agencies.

"TRANSFERS TO DEPARTMENT

"SEC. 6. (a) There are hereby transferred to and vested in the Secretary all functions, powers, and duties of the Secretary of Commerce and other offices and officers of the Department of Commerce under—

"(1) the following laws and provisions of law relating generally to highways:

"(A) Title 23, United States Code, as amended.

"(B) The Federal-Aid Highway Act of 1966 (80 Stat. 766).

"(C) The Federal-Aid Highway Act of 1962, as amended (76 Stat. 1145; 23 U.S.C. 307 note).

"(D) The Act of July 14, 1960, as amended (74 Stat. 526; 23 U.S.C. 313 note).

"(E) The Federal-Aid Highway Act of 1954, as amended (68 Stat. 70).

"(F) The Act of September 26, 1961, as amended (75 Stat. 670).

"(G) The Highway Revenue Act of 1956, as amended (70 Stat. 387; 23 U.S.C. 120 note).

"(H) The Highway Beautification Act of 1965, as amended (79 Stat. 1028; 23 U.S.C. 131 et seq. notes).

"(I) The Alaska Omnibus Act, as amended (73 Stat. 141; 48 U.S.C. 21 note prec.).

"(J) The Joint Resolution of August 28, 1965, as amended (79 Stat. 578; 23 U.S.C. 101 et seq. notes).

"(K) Section 502(c) of the General Bridge Act of 1946, as amended (60 Stat. 847; 33 U.S.C. 525(c)).

"(L) The Act of April 27, 1962, as amended (76 Stat. 59).

"(M) Reorganization Plan No. 7 of 1949 (63 Stat. 1070; 5 U.S.C. 133z-15 note).

"(2) the following laws and provisions of law relating generally to ground transportation:

"(A) The Act of September 30, 1965, as amended (79 Stat. 893; 49 U.S.C. 1631 et seq.).

"(B) The Urban Mass Transportation Act of 1964, as amended (78 Stat. 306, 49 U.S.C. 1607).

"(3) the following laws and provisions of law relating generally to aircraft:

"(A) The Act of September 7, 1957, as amended (71 Stat. 629; 49 U.S.C. 1324 note).

"(B) Section 410 of the Federal Aviation Act of 1958, as amended (72 Stat. 769; 49 U.S.C. 1380).

"(C) Title XIII of the Federal Aviation Act of 1958, as amended (72 Stat. 800; 49 U.S.C. 1531 et seq.).

"(4) the following law relating generally to pilotage: The Great Lakes Pilotage Act of 1960, as amended (74 Stat. 259; 46 U.S.C. 216 et seq.).

"(5) the following law to the extent it authorizes scientific and professional positions which relate primarily to functions transferred by this subsection: The Act of August 1, 1947, as amended (61 Stat. 715, 5 U.S.C. 1161).

"(6) the following laws relating generally to traffic and highway safety:

"(A) The National Traffic and Motor Vehicle Safety Act of 1966 (80 Stat. 718).

"(B) The Highway Safety Act of 1966 (80 Stat. 731).

"(b) (1) The Coast Guard is hereby transferred to the Department, and there are hereby transferred to and vested in the Secretary all functions, powers, and duties, relating to the Coast Guard, of the Secretary of the Treasury and of other officers and offices of the Department of the Treasury.

"(2) Notwithstanding the transfer of the Coast Guard to the Department and the transfer to the Secretary of the functions, powers, and duties, relating to the Coast Guard, of the Secretary of the Treasury and of other officers and offices of the Department of the Treasury, effected by the provisions of paragraph (1) of this subsection, the Coast Guard, together with the functions, powers, and duties relating thereto, shall operate as a part of the Navy, subject to the orders of the Secretary of the Navy, in time of war or when the President shall so direct, as provided in section 3 of title 14, United States Code, as amended.

"(3) Notwithstanding any other provision of this Act, the functions, powers, and duties of the General Counsel of the Department of the Treasury set out in chapter 47 of title 10, United States Code, as amended (Uniform Code of Military Justice), are hereby transferred to and vested in the General Counsel of the Department.

"(c) (1) There are hereby transferred to and vested in the Secretary all functions,

powers, and duties of the Federal Aviation Agency, and of the Administrator and other officers and offices thereof, including the development and construction of a civil supersonic aircraft: *Provided, however*, That there are hereby transferred to the Federal Aviation Administrator, and it shall be his duty to exercise the functions, powers, and duties of the Secretary pertaining to aviation safety as set forth in sections 306, 307, 308, 309, 312, 313, 314, 1101, 1105, and 1111, and titles VI, VII, IX, and XII of the Federal Aviation Act of 1958, as amended. In exercising these enumerated functions, powers, and duties, the Administrator shall be guided by the declaration of policy in section 103 of the Federal Aviation Act of 1958, as amended. Decisions of the Federal Aviation Administrator made pursuant to the exercise of the functions, powers, and duties enumerated in this subsection to be exercised by the Administrator shall be administratively final, and appeals as authorized by law or this Act shall be taken directly to the National Transportation Safety Board or to the courts, as appropriate.

"(2) Nothing in this Act shall affect the power of the President under section 302(e) of the Federal Aviation Act of 1958 (72 Stat. 746, 49 U.S.C. 1343(c)) to transfer, to the Department of Defense in the event of war, any functions transferred by this Act from the Federal Aviation Agency.

"(d) There are hereby transferred to and vested in the Secretary all functions, powers, and duties of the Civil Aeronautics Board, and of the Chairman, members, officers, and offices thereof under titles VI (72 Stat. 775; 5 U.S.C. 1421 et seq.) and VII (72 Stat. 781; 49 U.S.C. 1441 et seq.) of the Federal Aviation Act of 1958, as amended: *Provided, however*, That these functions, powers, and duties are hereby transferred to and shall be exercised by the National Transportation Safety Board. Decisions of the National Transportation Safety Board made pursuant to the exercise of the functions, powers, and duties enumerated in this subsection shall be administratively final, and appeals as authorized by law or this Act shall be taken directly to the courts.

"(e) There are hereby transferred to and vested in the Secretary all functions, powers, and duties of the Interstate Commerce Commission, and of the Chairman, members, officers, and offices thereof, under—

"(1) the following laws relating generally to safety appliances and equipment on railroad engines and cars, and protection of employees and travelers:

"(A) The Act of March 2, 1893, as amended (27 Stat. 531; 45 U.S.C. 1 et seq.).

"(B) The Act of March 2, 1903, as amended (32 Stat. 943; 45 U.S.C. 8 et seq.).

"(C) The Act of April 14, 1910, as amended (36 Stat. 298; 45 U.S.C. 11 et seq.).

"(D) The Act of May 30, 1908, as amended (35 Stat. 476; 45 U.S.C. 17 et seq.).

"(E) The Act of February 17, 1911, as amended (36 Stat. 913; 45 U.S.C. 22 et seq.).

"(F) The Act of March 4, 1915, as amended (38 Stat. 1192; 45 U.S.C. 30).

"(G) Reorganization Plan No. 3 of 1965 (79 Stat. 1320).

"(H) Joint Resolution of June 30, 1906, as amended (34 Stat. 838; 45 U.S.C. 35).

"(I) The Act of May 27, 1908, as amended (35 Stat. 325; 45 U.S.C. 36 et seq.).

"(J) The Act of March 4, 1909, as amended (35 Stat. 965; 45 U.S.C. 37).

"(K) The Act of May 6, 1910, as amended (36 Stat. 350; 45 U.S.C. 38 et seq.).

"(2) the following law relating generally to hours of service of employees: The Act of March 4, 1907, as amended (34 Stat. 1415; 45 U.S.C. 61 et seq.).

"(3) the following law relating generally to medals for heroism: The act of February 23, 1905, as amended (33 Stat. 743; 49 U.S.C. 1201 et seq.).

"(4) the following provisions of law relating generally to explosives and other dangerous articles: Sections 831-835 of title 18, United States Code, as amended.

"(5) the following laws relating generally to standard time zones and daylight saving time:

"(A) The Act of March 19, 1918, as amended (40 Stat. 450; 15 U.S.C. 261 et seq.).

"(B) The Act of March 4, 1921, as amended (41 Stat. 1446; 15 U.S.C. 265).

"(C) The Uniform Time Act of 1966, as amended (80 Stat. 107).

"(6) the following provisions of the Interstate Commerce Act, as amended—

"(A) relating generally to safety appliances methods and systems: Section 25 (49 U.S.C. 26).

"(B) relating generally to investigation of motor vehicle sizes, weights, and service of employees: Section 226 (49 U.S.C. 325).

"(C) relating generally to qualifications and maximum hours of service of employees and safety of operation and equipment: Sections 204(a) (1) and (2), to the extent that they relate to qualifications and maximum hours of service of employees and safety of operation and equipment; and sections 204(a) (3), (3a), and (5) (49 U.S.C. 304).

"(D) to the extent they relate to private carriers of property by motor vehicle and carriers of migrant workers by motor vehicle other than contract carriers: Sections 221(a), 221(c), and 224 (49 U.S.C. 321 et seq.).

"(f) (1) Nothing in subsection (e) shall diminish the functions, powers, and duties of the Interstate Commerce Commission under sections 1(6), 206, 207, 209, 210a, 212, and 216 of the Interstate Commerce Act, as amended (49 U.S.C. 1(6), 306 et seq.), or under any other section of that Act not specifically referred to in subsection (e).

"(2) (A) With respect to any function which is transferred to the Secretary by subsection (e) and which was vested in the Interstate Commerce Commission preceding such transfer, the Secretary shall have the same administrative powers under the Interstate Commerce Act as the Commission had before such transfer with respect to such transferred function. After such transfer, the Commission may exercise its administrative powers under the Interstate Commerce Act only with respect to those of its functions not transferred by subsection (e).

"(B) For purposes of this paragraph—

"(i) the term 'function' includes power and duty, and

"(ii) the term 'administrative powers under the Interstate Commerce Act' means any functions under the following provisions of the Interstate Commerce Act, as amended: Sections 12, 13(1), 13(2), 14, 16(12), the last sentence of 18(1), sections 20 (except clauses (3), (4), (11), and (12) thereof), 204(a) (6) and (7), 204(c), 204(d), 205(d), 205(f), 220 (except subsection (c) and the proviso of subsection (a) thereof), 222 (except subsections (b) (2) and (b) (3) thereof), and 417(b) (1) (49 U.S.C. 12 et seq., 304 et seq., and 1017).

"(3) (A) The Federal Railroad Administrator shall carry out the functions, powers, and duties of the Secretary pertaining to railroad and pipeline safety as set forth in the statutes transferred to the Secretary by subsection (e) of this section.

"(B) The Federal Highway Administrator shall carry out the functions, powers, and duties of the Secretary pertaining to motor carrier safety as set forth in the statutes transferred to the Secretary by subsection (e) of this section.

"(C) Decisions of the Federal Railroad Administrator and the Federal Highway Administrator (i) which are made pursuant to the exercise of the functions, powers, and duties enumerated in subparagraphs (A) and (B) of this paragraph to be carried out by the Administrators, and (ii) which involve

notice and hearing required by law, shall be administratively final, and appeals as authorized by law or this Act shall be taken directly to the National Transportation Safety Board or the courts, as appropriate.

"(g) There are hereby transferred to and vested in the Secretary all functions, powers, and duties of the Secretary of the Army and other officers and offices of the Department of the Army under—

"(1) the following law and provisions of law relating generally to water vessel anchorages:

"(A) Section 7 of the Act of March 4, 1915, as amended (38 Stat. 1053; 33 U.S.C. 471).

"(B) Article 11 of section 1 of the Act of June 7, 1897, as amended (30 Stat. 98; 33 U.S.C. 180).

"(C) Rule 9 of section 1 of the Act of February 8, 1895, as amended (28 Stat. 647; 33 U.S.C. 258).

"(D) Rule numbered 13 of section 4233 of the Revised Statutes, as amended (33 U.S.C. 322).

"(2) the following provision of law relating generally to drawbridge operating regulations: Section 5 of the Act of August 18, 1894, as amended (28 Stat. 362; 33 U.S.C. 499).

"(3) the following law relating generally to obstructive bridges: The Act of June 21, 1940, as amended (54 Stat. 497; 33 U.S.C. 511 et seq.).

"(4) the following laws and provisions of law relating generally to the reasonableness of tolls:

"(A) Section 4 of the Act of March 23, 1906, as amended (34 Stat. 85; 33 U.S.C. 494).

"(B) Section 503 of the General Bridge Act of 1946, as amended (60 Stat. 847; 33 U.S.C. 526).

"(C) Section 17 of the Act of June 10, 1930, as amended (46 Stat. 552; 33 U.S.C. 498a).

"(D) The Act of June 27, 1930, as amended (46 Stat. 821; 33 U.S.C. 498b).

"(E) The Act of August 21, 1935, as amended (49 Stat. 670; 33 U.S.C. 503 et seq.).

"(5) the following law relating to prevention of pollution of the sea by oil: The Oil Pollution Act, 1961, as amended (75 Stat. 402; 33 U.S.C. 1001 et seq.).

"(6) the following laws and provision of law to the extent that they relate generally to the location and clearances of bridges and causeways in the navigable waters of the United States:

"(A) Section 9 of the Act of March 3, 1899, as amended (30 Stat. 1151; 33 U.S.C. 401).

"(B) The Act of March 23, 1906, as amended (34 Stat. 84; 33 U.S.C. 491 et seq.).

"(C) The General Bridge Act of 1946; as amended (60 Stat. 847; 33 U.S.C. 525 et seq.).

"(h) The provisions of subchapter II of chapter 5 and of chapter 7 of title 5, United States Code, shall be applicable to proceedings by the Department and any of the administrations or boards within the Department established by this Act except that notwithstanding this or any other provision of this Act, the transfer of functions, powers, and duties to the Secretary or any other officer in the Department shall not include functions vested by subchapter II of chapter 5 of title 5, United States Code, in hearing examiners employed by any department, agency, or component thereof whose functions are transferred under the provisions of this Act.

"(i) The administration of the Alaska Railroad, established pursuant to the Act of March 12, 1914, as amended (38 Stat. 308), and all of the functions authorized to be carried out by the Secretary of the Interior pursuant to Executive Order Numbered 11107, April 25, 1963 (28 F.R. 4225), relative to the operation of said Railroad, are hereby transferred to and vested in the Secretary of Transportation who shall exercise the same authority with respect thereto as is now exercised by the Secretary of the Interior pursuant to said Executive order.

"TRANSPORTATION INVESTMENT STANDARDS"

"SEC. 7. (a) The Secretary, subject to the provisions of section 4 of this Act, shall develop and from time to time in the light of experience revise standards and criteria consistent with national transportation policies, for the formulation and economic evaluation of all proposals for the investment of Federal funds in transportation facilities or equipment, except such proposals as are concerned with (1) the acquisition of transportation facilities or equipment by Federal agencies in providing transportation services for their own use; (2) an interoceanic canal located outside the contiguous United States; (3) defense features included at the direction of the Department of Defense in the design and construction of civil air, sea, and land transportation; (4) programs of foreign assistance; (5) water resource projects; or (6) grant-in-aid programs authorized by law. The standards and criteria developed or revised pursuant to this subsection shall be promulgated by the Secretary upon their approval by the Congress.

"The standards and criteria for economic evaluation of water resource projects shall be developed by the Water Resources Council established by Public Law 89-80. For the purpose of such standards and criteria, the primary direct navigation benefits of a water resource project are defined as the product of the savings to shippers using the waterway and the estimated traffic that would use the waterway; where the savings to shippers shall be construed to mean the difference between (a) the freight rates or charges prevailing at the time of the study for the movement by the alternative means and (b) those which would be charged on the proposed waterway; and where the estimate of traffic that would use the waterway will be based on such freight rates, taking into account projections of the economic growth of the area.

"The Water Resources Council established under section 101 of Public Law 89-80 is hereby expanded to include the Secretary of Transportation on matters pertaining to navigation features of water resource projects.

"(b) Every survey, plan, or report formulated by a Federal agency which includes a proposal as to which the Secretary has promulgated standards and criteria pursuant to subsection (a) shall be (1) prepared in accord with such standards and criteria and upon the basis of information furnished by the Secretary with respect to projected growth of transportation needs and traffic in the affected area, the relative efficiency of various modes of transport, the available transportation services in the area, and the general effect of the proposed investment on existing modes, and on the regional and national economy; (2) coordinated by the proposing agency with the Secretary and, as appropriate, with other Federal agencies, States, and local units of government for inclusion of his and their views and comments; and (3) transmitted thereafter by the proposing agency to the President for disposition in accord with law and procedures established by him.

"AMENDMENTS TO OTHER LAWS"

"SEC. 8. (a) Section 406(b) of the Federal Aviation Act of 1958, as amended (72 Stat. 763; 49 U.S.C. 1376(b)), is amended by adding the following sentence at the end thereof: 'In applying clause (3) of this subsection, the Board shall take into consideration any standards and criteria prescribed by the Secretary of Transportation, for determining the character and quality of transportation required for the commerce of the United States and the national defense.'

"(b) Section 201 of the Appalachian Regional Development Act of 1965, as amended (79 Stat. 10; 40 U.S.C. App. 206) is amended as follows:

"(1) The first sentence of subsection (a) of that section is amended by striking the words 'Commerce (hereafter in this section referred to as the "Secretary")' and inserting in lieu thereof 'Transportation'.

"(2) The last sentence of subsection (a) of that section is amended by inserting after the word 'Secretary', the words 'of Transportation'.

"(3) Subsection (b) of that section is amended by inserting after the word 'Secretary', the words 'of Commerce'.

"(4) Subsection (c) of that section is amended by striking the first sentence and inserting in lieu thereof the following sentence: 'Such recommendations as are approved by the Secretary of Commerce shall be transmitted to the Secretary of Transportation for his approval.'

"(5) The second sentence of subsection (c) of that section is amended by inserting after the word 'Secretary' the words 'of Transportation'.

"(6) Subsection (e) of that section is amended by inserting after the word 'Secretary' the words 'of Transportation'.

"(7) Subsection (f) of that section is amended by inserting after the word 'Secretary', the words 'of Commerce and the Secretary of Transportation'. Subsection (f) of that section is further amended by striking the word 'determines' and inserting in lieu thereof 'determine'.

"(8) Subsection (g) of that section is amended by striking the period at the end thereof and adding the following: 'to the Secretary of Commerce, who shall transfer funds to the Secretary of Transportation for administration of projects approved by both Secretaries.'

"(c) Section 206(c) of the Appalachian Regional Development Act of 1965, as amended (79 Stat. 15; 40 U.S.C. App. 206), is amended by inserting after 'Interior', the words 'Secretary of Transportation'.

"(d) Section 212(a) of the Interstate Commerce Act, as amended (49 Stat. 555), is amended by striking 'of the Commission' the second, third, and fourth times those words occur.

"(e) Section 13(b)(1) of the Fair Labor Standards Act of 1938, as amended (52 Stat. 1067), is amended by striking the words 'Interstate Commerce Commission' and inserting in lieu thereof 'Secretary of Transportation'.

"(f) The second sentence of section 3 of the Federal Explosives Act, as amended (40 Stat. 386; 50 U.S.C. 123) is amended to read as follows: 'This Act shall not apply to explosives or ingredients which are in transit upon vessels, railroad cars, aircraft, or other conveyances in conformity with statutory law or with the rules and regulations of the Secretary of Transportation.'

"(g) (1) Section 1 of the Act of May 13, 1954, as amended (68 Stat. 93; 33 U.S.C. 981), is amended to read as follows:

"SECTION 1. There is hereby created, subject to the direction and supervision of the Secretary of Transportation, a body corporate to be known as the Saint Lawrence Seaway Development Corporation (hereinafter referred to as the "Corporation").

"(2) Notwithstanding any other provision of this Act, the Administrator of the Saint Lawrence Seaway Development Corporation shall report directly to the Secretary.

"(h) Section 201 of the Highway Safety Act of 1966 (80 Stat. 731) is amended by striking the words 'Federal Highway Administrator' and inserting in lieu thereof the words 'Director of Public Roads', by striking the word 'Agency' wherever it occurs in such section and inserting in lieu thereof the word 'Bureau', and by striking 'an Administrator' or 'Administrator', wherever appearing therein, and inserting in lieu thereof 'a Director' or 'Director', respectively.

"(i) Section 115 of the National Traffic

and Motor Vehicle Safety Act of 1966 (80 Stat. 718) is amended by striking the word 'Agency' wherever it occurs in such section and inserting in lieu thereof the word 'Bureau' and by striking the word 'Administrator' wherever it occurs in such section and inserting in lieu thereof the word 'Director'.

"(j) Section 3(a) of the Marine Resources and Engineering Development Act of 1966 (80 Stat. 204) is amended by striking the words 'the Treasury' and inserting in lieu thereof 'Transportation'.

"(k) Section 2(e) of the Act of September 22, 1966, Public Law 89-599, is amended by striking the words 'of Commerce' and inserting in lieu thereof the words 'of Transportation'.

"ADMINISTRATIVE PROVISIONS"

"SEC. 9. (a) In addition to the authority contained in any other Act which is transferred to and vested in the Secretary, the National Transportation Safety Board, or any other officer in the Department, the Secretary is authorized, subject to the civil service and classification laws, to select, appoint, employ, and fix the compensation of such officers and employees, including investigators, attorneys, and hearing examiners, as are necessary to carry out the provisions of this Act and to prescribe their authority and duties.

"(b) The Secretary may obtain services as authorized by section 3109 of title 5 of the United States Code, but at rates not to exceed \$100 per diem for individuals unless otherwise specified in an appropriation Act.

"(c) The Secretary is authorized to provide for participation of military personnel in carrying out the functions of the Department. Members of the Army, the Navy, the Air Force, or the Marine Corps may be detailed for service in the Department by the appropriate Secretary, pursuant to cooperative agreements with the Secretary of Transportation.

"(d) (1) Appointment, detail, or assignment to, acceptance of, and service in any appointive or other position in the Department under the authority of section 9(c) and section 9(p) shall in no way affect status, office, rank, or grade which officers or enlisted men may occupy or hold or any emolument, perquisite, right, privilege, or benefit incident to or arising out of any such status, office, rank, or grade, nor shall any member so appointed, detailed, or assigned be charged against any statutory limitation on grades or strengths applicable to the Armed Forces. A person so appointed, detailed, or assigned shall not be subject to direction by or control by his armed force or any officer thereof directly or indirectly with respect to the responsibilities exercised in the position to which appointed, detailed, or assigned.

"(2) The Secretary shall report annually in writing to the appropriate committees of the Congress on personnel appointed and agreements entered into under subsection (c) of this section, including the number, rank, and positions of members of the armed services detailed pursuant thereto.

"(e) (1) Except where this Act vests in any administration, agency or board, specific functions, powers, and duties, the Secretary may, in addition to the authority to delegate and redelegate contained in any other Act in the exercise of the functions transferred to or vested in the Secretary in this Act, delegate any of his residual functions, powers and duties to such officers and employees of the Department as he may designate, may authorize such successive redelegations of such functions, powers, and duties as he may deem desirable, and may make such rules and regulations as may be necessary to carry out his functions, powers, and duties.

"(2) In addition to the authority to delegate and redelegate contained in any other

Act, in the exercise of the functions transferred to or specified by this Act to be carried out by any officer in the Department, such officer may delegate any of such functions, powers, and duties to such other officers and employees of the Department as he may designate; may authorize such successive redelegations of such functions, powers, and duties as he may deem desirable; and may make such rules and regulations as may be necessary to carry out such functions, powers, and duties.

"(3) The Administrators established by section 3(e) of this Act may not delegate any of the statutory duties and responsibilities specifically assigned to them by this Act outside of their respective administrations.

"(f) The personnel, assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, available or to be made available, of the Federal Aviation Agency, and of the head and other officers and offices thereof, are hereby transferred to the Secretary: *Provided, however,* That the personnel, assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, available, or to be made available in carrying out the duties and functions transferred by this Act to the Secretary which are specified by this Act to be carried out by the Federal Aviation Administrator shall be assigned by the Secretary to the Federal Aviation Administrator for these purposes.

"(g) So much of the positions, personnel, assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, available or to be made available in connection with the functions, powers, and duties transferred by sections 6 (except section 6(c)) and 8 (d) and (e) of this Act as the Director of the Bureau of the Budget shall determine shall be transferred to the Secretary: *Provided, however,* That the positions, personnel, assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, available, or to be made available, by the Civil Aeronautics Board in carrying out the duties transferred by this Act to be exercised by the National Transportation Safety Board shall be transferred to the National Transportation Safety Board. Except as provided in subsection (h), personnel engaged in functions, powers, and duties transferred under this Act shall be transferred in accordance with applicable laws and regulations relating to transfer of functions.

"(h) The transfer of personnel pursuant to subsections (f) and (g) of this section shall be without reduction in classification or compensation for one year after such transfer.

"(i) In any case where all of the functions, powers, and duties of any office or agency, other than the Coast Guard, are transferred pursuant to this Act, such office or agency shall lapse. Any person who, on the effective date of this Act, held a position compensated in accordance with the Executive Schedule, and who, without a break in service, is appointed in the Department to a position having duties comparable to those performed immediately preceding his appointment shall continue to be compensated in his new position at not less than the rate provided for his previous position, for the duration of his service in his new position.

"(j) The Secretary is authorized to establish a working capital fund, to be available without fiscal year limitation, for expenses necessary for the maintenance and operation of such common administrative services as he shall find to be desirable in the interest of economy and efficiency in the

Department, including such services as a central supply service for stationery and other supplies and equipment for which adequate stocks may be maintained to meet in whole or in part the requirements of the Department and its agencies; central messenger, mail, telephone, and other communications services; office space, central services for document reproduction, and for graphics and visual aids; and a central library service. The capital of the fund shall consist of any appropriations made for the purpose of providing capital (which appropriations are hereby authorized) and the fair and reasonable value of such stocks of supplies, equipment, and other assets and inventories on order as the Secretary may transfer to the fund, less the related liabilities and unpaid obligations. Such funds shall be reimbursed in advance from available funds of agencies and offices in the Department, or from other sources, for supplies and services at rates which will approximate the expense of operation, including the accrual of annual leave and the depreciation of equipment. The fund shall also be credited with receipts from sale or exchange of property and receipts in payment for loss or damage to property owned by the fund. There shall be covered into the United States Treasury as miscellaneous receipts any surplus found in the fund (all assets, liabilities, and prior losses considered) above the amounts transferred or appropriated to establish and maintain said fund.

"(k) The Secretary shall cause a seal of office to be made for the Department of such device as he shall approve, and judicial notice shall be taken of such seal.

"(l) In addition to the authority contained in any other Act which is transferred to and vested in the Secretary, the National Transportation Safety Board, or other officer in the Department, as necessary, and when not otherwise available, the Secretary is authorized to provide for, construct, or maintain the following for employees and their dependents stationed at remote localities:

"(1) Emergency medical services and supplies;

"(2) Food and other subsistence supplies;

"(3) Messing facilities;

"(4) Motion picture equipment and film for recreation and training;

"(5) Reimbursement for food, clothing, medicine, and other supplies furnished by such employees in emergencies for the temporary relief of distressed persons; and

"(6) Living and working quarters and facilities.

The furnishing of medical treatment under paragraph (1) and the furnishing of services and supplies under paragraphs (2) and (3) of this subsection shall be at prices reflecting reasonable value as determined by the Secretary, and the proceeds therefrom shall be credited to the appropriation from which the expenditure was made.

"(m) (1) The Secretary is authorized to accept, hold, administer, and utilize gifts and bequests of property, both real and personal, for the purpose of aiding or facilitating the work of the Department. Gifts and bequests of money and the proceeds from sales of other property received as gifts or bequests shall be deposited in the Treasury in a separate fund and shall be disbursed upon order of the Secretary. Property accepted pursuant to this paragraph, and the proceeds thereof, shall be used as nearly as possible in accordance with the terms of the gift or bequest.

"(2) For the purpose of Federal income, estate, and gift taxes, property accepted under paragraph (1) shall be considered as a gift or bequest to or for use of the United States.

"(3) Upon the request of the Secretary, the Secretary of the Treasury may invest and reinvest in securities of the United States or in securities guaranteed as to principal

and interest by the United States any moneys contained in the fund provided for in paragraph (1). Income accruing from such securities, and from any other property held by the Secretary pursuant to paragraph (1) shall be deposited to the credit of the fund, and shall be disbursed upon order of the Secretary.

"(n) (1) The Secretary is authorized, upon the written request of any person, or any State, territory, possession, or political subdivision thereof, to make special statistical studies relating to foreign and domestic transportation, and special studies relating to other matters falling within the province of the Department, to prepare from its records special statistical compilations, and to furnish transcripts of its studies, tables, and other records upon the payment of the actual cost of such work by the person or body requesting it.

"(2) All moneys received by the Department in payment of the cost of work under paragraph (1) shall be deposited in a separate account to be administered under the direction of the Secretary. These moneys may be used, in the discretion of the Secretary, for the ordinary expenses incidental to the work and/or to secure in connection therewith the special services of persons who are neither officers nor employees of the United States.

"(o) The Secretary is authorized to appoint, without regard to the civil service laws, such advisory committees as shall be appropriate for the purpose of consultation with and advice to the Department in performance of its functions. Members of such committees, other than those regularly employed by the Federal Government, while attending meetings of such committees or otherwise serving at the request of the Secretary, may be paid compensation at rates not exceeding those authorized for individuals under subsection (b) of this section, and while so serving away from their homes or regular places of business, may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

"(p) (1) Notwithstanding any provision of this Act or other law, a member of the Coast Guard on active duty may be appointed, detailed, or assigned to any position in the Department other than Secretary, Under Secretary, and Assistant Secretary for Administration.

"(2) Subject to the provisions of title 5, United States Code, a retired member of the Coast Guard may be appointed to any position in the Department.

"(q) (1) The Secretary is authorized to enter into contracts with educational institutions, public or private agencies or organizations, or persons for the conduct of scientific or technological research into any aspect of the problems related to the programs of the Department which are authorized by statute.

"(2) The Secretary shall require a showing that the institutions, agencies, organizations, or persons with which he expects to enter into contracts pursuant to this subsection have the capability of doing effective work. He shall furnish such advice and assistance as he believes will best carry out the mission of the Department, participate in coordinating all research initiated under this subsection, indicate the lines of inquiry which seem to him most important, and encourage and assist in the establishment and maintenance of cooperation by and between the institutions, agencies, organizations, or persons and between them and other research organizations, the Department, and other Federal agencies.

"(3) The Secretary may from time to time disseminate in the form of reports or publications to public or private agencies or orga-

nizations, or individuals such information as he deems pertinent on the research carried out pursuant to this section.

"(4) Nothing contained in this subsection is intended to amend, modify, or repeal any provisions of law administered by the Department which authorize the making of contracts for research.

"CONFORMING AMENDMENTS TO OTHER LAWS

"SEC. 10. (a) Section 19(d) (1) of title 3, United States Code, as amended, is hereby amended by striking out the period at the end thereof and inserting a comma and the following: 'Secretary of Transportation.'

"(b) Section 101 of title 5 of the United States Code is amended by inserting at the end thereof the following:

"The Department of Housing and Urban Development.

"The Department of Transportation."

"(c) The amendment made by subsection (b) of this section shall not be construed to make applicable to the Department any provision of law inconsistent with this Act.

"(d) Subchapter II (relating to executive schedule pay rates) of chapter 53 of title V of the United States Code is amended as follows:

"(1) Section 5312 is amended by adding at the end thereof the following:

"(11) Secretary of Housing and Urban Development.

"(12) Secretary of Transportation."

"(2) Section 5313 is amended by striking out '(7) Administrator of the Federal Aviation Agency' and inserting in lieu thereof '(7) Under Secretary of Transportation', and by adding at the end thereof the following:

"(19) Administrator, Federal Aviation Administration."

"(3) Section 5314 is amended by adding at the end thereof the following:

"(46) Administrator, Federal Highway Administration.

"(47) Administrator, Federal Railroad Administration.

"(48) Chairman, National Transportation Safety Board."

"(4) Section 5315 is amended by adding at the end thereof the following:

"(78) Members, National Transportation Safety Board.

"(79) General Counsel, Department of Transportation.

"(80) Deputy Administrator, Federal Aviation Administration.

"(81) Assistant Secretaries of Transportation (4).

"(82) Director of Public Roads.

"(83) Administrator of the St. Lawrence Seaway Development Corporation."

"(5) Section 5316 is amended by adding at the end thereof the following:

"(117) Assistant Secretary for Administration, Department of Transportation."

"(6) Section 5317 is amended by striking out 'thirty' and inserting in lieu thereof 'thirty-four'.

"(e) Subsections 5314(6), 5315(2), and 5316 (10), (12), (13), (14), (76), and (82) of title 5 of the United States Code are repealed, subject to the provisions of section 9 of this Act.

"(f) Title 18, United States Code, section 1020, as amended, is amended by striking the words 'Secretary of Commerce' where they appear therein and inserting in lieu thereof 'Secretary of Transportation'.

"(g) Subsection (1) of section 801, title 10, United States Code, as amended, is amended by striking out 'the General Counsel of the Department of the Treasury' and inserting in lieu thereof 'the General Counsel of the Department of Transportation'.

"ANNUAL REPORT

"SEC. 11. The Secretary shall, as soon as practicable after the end of each fiscal year, make a report in writing to the President for submission to the Congress on the activities of the Department during the preceding fiscal year.

"SAVINGS PROVISIONS

"SEC. 12. (a) All orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges—

"(1) which have been issued, made, granted, or allowed to become effective—

"(A) under any provision of law amended by this Act, or

"(B) in the exercise of duties, powers, or functions which are transferred under this Act,

by (i) any department or agency, any functions of which are transferred by this Act, or (ii) any court of competent jurisdiction, and

"(2) which are in effect at the time this Act takes effect,

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or repealed by the Secretary, Administrators, Board, or General Counsel (in the exercise of any authority respectively vested in them by this Act), by any court of competent jurisdiction, or by operation of law.

"(b) The provisions of this Act shall not affect any proceedings pending at the time this section takes effect before any department or agency (or component thereof), functions of which are transferred by this Act; but such proceedings, to the extent that they relate to functions so transferred, shall be continued before the Department. Such proceedings, to the extent they do not relate to functions so transferred, shall be continued before the department or agency before which they were pending at the time of such transfer. In either case orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this Act had not been enacted; and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or repealed by the Secretary, Administrators, Board, or General Counsel (in the exercise of any authority respectively vested in them by this Act), by a court of competent jurisdiction, or by operation of law.

"(c) (1) Except as provided in paragraph (2)—

"(A) the provisions of this Act shall not affect suits commenced prior to the date this section takes effect, and

"(B) in all such suits proceedings shall be had, appeals taken, and judgments rendered, in the same manner and effect as if this Act had not been enacted.

No suit, action, or other proceeding commenced by or against any officer in his official capacity as an officer of any department or agency, functions of which are transferred by this Act, shall abate by reason of the enactment of this Act. No cause of action by or against any department or agency, functions of which are transferred by this Act, or by or against any officer thereof in his official capacity shall abate by reason of the enactment of this Act. Causes of actions, suits, actions, or other proceedings may be asserted by or against the United States or such official of the Department as may be appropriate and, in any litigation pending when this section takes effect, the court may at any time, on its own motion or that of any party, enter an order which will give effect to the provisions of this subsection.

"(2) If before the date on which this Act takes effect, any department or agency, or officer thereof in his official capacity, is a party to a suit, and under this Act—

"(A) such department or agency is transferred to the Secretary, or

"(B) any function of such department, agency, or officer is transferred to the Secretary,

then such suit shall be continued by the Secretary (except in the case of a suit involving functions transferred to the Secretary, in which case the suit shall be continued by the department, agency, or officer

which was a party to the suit prior to the effective date of this Act).

"(d) With respect to any function, power, or duty transferred by this Act and exercised after the effective date of this Act, reference in any other Federal law to any department or agency, officer or office so transferred or functions of which are so transferred shall be deemed to mean the officer or agency in which this Act vests such function after such transfer.

"SEPARABILITY

"SEC. 13. If any provision of this Act or the application thereof to any person or circumstances is held invalid, the remainder of this Act, and the application of such provision to other persons or circumstances shall not be affected thereby.

"CODIFICATION

"SEC. 14. The Secretary is directed to submit to the Congress within two years from the effective date of this Act, a proposed codification of all laws that contain the powers, duties, and functions transferred to or vested in the Secretary or the Department by this Act.

"EFFECTIVE DATE; INITIAL APPOINTMENT OF OFFICERS

"SEC. 15. (a) This Act shall take effect ninety days after the Secretary first takes office, or on such prior date after enactment of this Act as the President shall prescribe and publish in the Federal Register.

"(b) Any of the officers provided for in this Act may (notwithstanding subsection (a)) be appointed in the manner provided for in this Act, at any time after the date of enactment of this Act. Such officers shall be compensated from the date they first take office, at the rates provided for in this Act. Such compensation and related expenses of their offices shall be paid from funds available for the functions to be transferred to the Department pursuant to this Act."

And the Senate agree to the same.

CHET HOLIFIELD,
JACK BROOKS,
PORTER HARDY, Jr.,
HENRY S. REUSS,
JOHN N. ERLBORN,
CLARENCE J. BROWN, Jr.

Managers on the Part of the House.

JOHN L. MCCLELLAN,
HENRY M. JACKSON,
ABRAHAM RIBICOFF,
FRED R. HARRIS,
KARL E. MUNDT,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 15963) to establish a Department of Transportation, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendment strikes out all of the House bill after the enacting clause and inserts a substitute. The House recedes from its disagreement to the amendment of the Senate, with an amendment which is a substitute for both the House bill and the Senate amendment. The differences between the House bill and the substitute agreed to in conference are noted below except for clerical corrections, incidental changes made necessary by reason of agreements reached by the conferees, and minor drafting and clarifying changes.

DECLARATION OF PURPOSE

Section 2 of the Senate amendment contained a paragraph not included in the House bill which declared it to be the national policy that in carrying out the provisions of the act, special effort, should be made to preserve the natural beauty of the countryside and public park and recreation

lands, wildlife and waterfowl refuges, and historic sites.

The conference substitute conforms to the Senator amendment with a minor drafting change.

ESTABLISHMENT OF DEPARTMENT

In section 3 the Senate amendment provided that the act itself establishes within the Department a Federal Highway Administration, a Federal Railroad Administration, a Federal Maritime Administration, and a Federal Aviation Administration. The House bill did not provide for the establishment of a Federal Maritime Administration. The Senate amendment also contained language providing for a Deputy Administrator of the Federal Aviation Administration which was not in the House bill. The Senate amendment further contained provisions, not in the House bill, continuing the existing qualifications for the Administrator and Deputy Administrator of the Federal Aviation Administration, specifically preserving the possibility of appointing the present Federal Aviation Administrator, providing that the Administrators and Commandant of the Coast Guard shall carry out functions, powers, and duties specified in the act and additional duties prescribed by the Secretary and prohibiting the redistribution of statutorily assigned functions, powers and duties within the Department otherwise than by reorganization plan or statute. The Senate amendment deleted the provision of the House bill establishing an Office of Accident Investigation within the Department, instead elsewhere in the bill retransferring the aviation investigation functions of the Civil Aeronautics Board to the National Transportation Safety Board. The Senate amendment contained language not in the House bill providing that the Secretary shall carry out the provisions of the National Traffic and Motor Vehicles Safety Act of 1966 through a National Safety Traffic Bureau headed by a director at executive salary level V.

The conference substitute amendment omits the provision for a Federal Maritime Administration and restores the provisions of the House bill, stricken in the Senate amendment, which provide that the Administrators and Commandant of the Coast Guard report directly to the Secretary. Otherwise the conference substitute conforms to the Senate amendment.

GENERAL PROVISIONS

In section 4(a) the Senate amendment deleted language giving the Secretary the responsibility of gathering, maintaining, and keeping the President fully advised of information regarding the status of labor-management contracts and other labor-management problems and assisting in promoting industrial harmony and stable employment conditions in all modes of transportation. The Senate amendment provided that in consulting with heads of other Federal departments and agencies engaged in the procurement of transportation or the operation of their own transport services, the Secretary should encourage them to establish and observe policies consistent with the maintenance of a coordinated transportation system operated by private enterprise.

The conference substitute amendment provides that the Secretary shall consult and cooperate with the Secretary of Labor in gathering information on the status of labor-management contracts and other labor-management problems and in promoting industrial harmony and stable employment conditions in all modes of transportation, and includes the Senate language on consultation with the heads of other Federal departments and agencies, but deletes the phrase "operated by private enterprise" to avoid possible conflicts with the Military Transportation Services.

In section 4(b) the Senate amendment added language stating that the Secretary

shall be governed in carrying out his duties and responsibilities under the act, by all applicable statutes including the policy standards set forth in several specifically listed existing laws relating to various phases of transportation.

The conference substitute adopts the language of the Senate amendment, with a conforming change to reflect the deletion of the maritime functions.

In section 4(c) the Senate amendment limited the House language preserving the right of judicial review over decisions in the Department by adding the clause "except as otherwise provided in this Act."

The conference substitute amendment deletes the quoted phrase and returns to the provisions of the House bill which are intended to preserve all rights of judicial review which now exist.

In section 4(d) which preserves the authority of the officials of the new Department to exercise the same authority as that vested in the predecessor agencies, the Senate amendment added the language, "except as provided in this Act."

The conference substitute amendment deletes the language quoted. The conferees believe that other provisions of the act adequately spell out the internal organization of the new Department and the extent of the authority of each of the officials as well as the finality of their decisions. The excepting clause is deleted to avoid the possibility of the loss of any authority in the course of the transfer of functions, powers, and duties to the new Department.

In section 4(e) the Senate amendment added language requiring the Secretary to present to the Interstate Commerce Commission information on the safety fitness of applicants for operating authority. This was intended to assure the continuance of the Commission's ability to determine the fitness of applicants in appropriate cases.

The conference substitute amendment clarifies the Senate amendment.

In section 4(f) the Senate amendment contained language requiring the Secretary of Transportation to cooperate and consult with the Secretaries of Interior, Housing and Urban Development, and Agriculture and with the States in developing transportation plans and programs that carry out the policy of preserving the natural beauty of the countryside and public park and recreation land, wildlife and waterfowl refuges, and historic sites. The Secretary was prohibited from approving programs or projects requiring the use of any such land unless there is no feasible alternative and all possible planning to minimize harm is taken.

The conference substitute amendment adopts the Senate amendment language except for adding the words "and prudent" after the word "feasible".

In section 4(g) the Senate amendment required the Secretary and the Secretary of Housing and Urban Development to consult and exchange information regarding their transportation policies and activities and to carry on the joint planning, research, and other activities and coordinate assistance for local projects. The amendment required the two Secretaries to study Federal policies and programs, to see how they can assure that urban transportation systems will effectively serve both local and national needs and to report within 1 year and annually thereafter to the President for submission to Congress on their studies and other activities, including legislative recommendations.

The conference substitute amendment conforms to the Senate amendment and adds thereto the clause previously deleted by the Senate which would require the two Secretaries to report within 1 year on the logical and efficient organization and location of urban mass transportation functions in the executive branch.

NATIONAL TRANSPORTATION SAFETY BOARD

In section 5 the Senate amendment placed in the National Transportation Safety Board the aircraft accident investigation functions now carried on by the Civil Aeronautics Board; provided specifically that decisions of the Board shall be administratively final; gave the NTSB authority to initiate or conduct rail, highway and pipeline accident investigations and specific authority to hire investigators and prohibited the Board from delegating its functions of hearing certain appeals and of determining probable cause of accidents.

The conference substitute amendment conforms to the Senate amendment.

TRANSFERS TO THE DEPARTMENT

In section 6(a) (5) the Senate amendment contained language not found in the House bill which transfers to the new Secretary, merchant marine and maritime functions and provides for their exercise by a Federal Maritime Administrator and a Maritime Board.

The conference substitute amendment deletes all reference to maritime functions, a Federal Maritime Administrator and the Maritime Board.

In section 6(c) which transfers to the Secretary all functions, powers and duties of the Federal Aviation Agency and of the Administrator and other officers thereof, the Senate amendment added the language "including the development and construction of a civil supersonic aircraft." The Senate amendment also further transferred to the Federal Aviation Administrator the duties of the Secretary under section 6(c) pertaining to aviation safety as set forth in certain sections of the Federal Aviation Act of 1958. The Senate amendment made decisions of the Federal Aviation Administrator in exercising these functions administratively final with appeals as authorized by law and this act to be taken directly to the National Transportation Safety Board or to the courts as appropriate. The Senate amendment deleted a provision specifically reserving the power of the President to transfer any of the aviation functions to the Department of Defense in time of war.

The substitute conference amendment restores the wartime transfer power of the President as provided in the House bill and otherwise conforms to the Senate amendment.

In section 6(d) the Senate amendment retransfers to the National Transportation Safety Board all of the Civil Aeronautics Board safety functions which are transferred by the act to the Secretary under section 6(d) and provides that decisions of the National Transportation Board made pursuant to the exercise of these functions, powers, and duties shall be administratively final and appeals taken directly to the courts.

The conference substitute amendment conforms to the Senate amendment.

In section 6(f) the Senate amendment provided that the Federal Railroad Administrator and the Federal Highway Administrator shall carry out the functions, powers, and duties of the Secretary pertaining to railroad and pipeline safety and to motor carrier safety which were transferred from the Interstate Commerce Commission to the Secretary. The decisions of the two Administrators pursuant to the exercise of these functions were made administratively final, with appeals to be taken to the National Transportation Safety Board or the courts.

The substitute conference amendment specifically limits the administrative finality of the two Administrators' decisions to proceedings which involve notice and hearings required by law, and otherwise conforms to the Senate amendment.

In section 6(h) the Senate amendment provides that the Administrative Procedure

Act shall be applicable to proceedings by the Departments and its subordinate units.

The substitute conference amendment conforms to the Senate amendment. Complementary House language was restored in section 4(c).

In section 6(1) the Senate amendment transferred the administration of the Alaska Railroad to the new Department. The House report had contemplated that this would be accomplished by Executive order.

The substitute conference amendment conforms to the Senate amendment.

TRANSPORTATION INVESTMENT STANDARDS

The Senate amendment contains language in section 7 which was not in the House bill. This requires the Secretary to develop standards and criteria for the formulation and economic evaluation and proposals for the investment of Federal funds in transportation facilities or equipment. The Senate amendment contains six major exceptions to this authority among which were water resources projects and grant-in-aid programs authorized by law. The Senate amendment requires approval by the Congress before the Secretary may promulgate standards and criteria. It makes the Secretary a member of the Water Resources Council on matters pertaining to navigation features of water resource projects and provides that all surveys, plans, and reports involving projects formulated by the various Federal agencies must conform to the standards and criteria, must utilize certain types of information relating to transportation supplied by the Secretary and must be coordinated by the Secretary. The Senate amendment also contained a formula to govern the determina-

tion of the navigation benefits of water resources projects.

The conference substitute amendment conforms to the Senate amendment.

AMENDMENTS TO OTHER LAWS

In section 8 the conference substitute amendment retains the Senate amendment language transferring the St. Lawrence Seaway Development Corporation to the new Department, making the Secretary of Transportation a member of the Marine Resources and Engineering Development Board and transferring to him the authority of the Secretary of Commerce with respect to the Missouri-Kansas compact on the Kansas City area transportation district.

ADMINISTRATIVE PROVISIONS

In section 9 the conference substitute amendment retains the language of the Senate amendment which authorizes officials below the Secretary in the Department who receive direct statutory authority to redelegate that authority within their own administrations and which modifies the Secretary's authority to redelegate in recognition of the statutory transfers heretofore made to subordinate officials. The conference substitute also retains the Senate language earmarking personnel, assets and unexpended balances of appropriations for the Federal Aviation Administration and the National Transportation Safety Board, to enable them to carry out the functions directly transferred to them by the act. Language of the Senate amendment requiring reimbursement of the working capital fund in advance and providing for the transfer of surpluses in that fund to the miscellaneous receipts in the Treasury are also retained.

The conference substitute amendment deletes language added by the Senate which would have provided that payments to members of the Advisory Boards in the Department shall not render members of the Board's employees or officials of the United States for any purpose. So far as the conferees are aware, this language now applies in only one situation, i.e., in the case of the National Motor Vehicle Safety Advisory Council and was included there for a particular purpose. The exemption in this one instance is retained by other language in the act; it should not be extended to other Advisory Boards without clear and specific justification.

The conference amendment also retains Senate language, not in the House bill, specifically authorizing the Secretary to enter into research contracts with educational institutions, public or private agencies or organizations, or persons, and language which governed the Secretary in administering the Department and authorizing him to publish information resulting from such research. Of course, the provisions of Public Law 89-487 relating to the availability of information will apply to this and other activities of the Department.

CONFORMING AMENDMENTS

Section 10 deals primarily with the pay levels. In the following table the House bill placed the executive schedule positions of the officers of the Department at the levels shown in column A. The Senate amendment added a number of positions and placed them in the levels shown in column B. The conferees are agreed on the positions and levels shown in column C.

Level	House bill (a)	Senate amendment (b)	Conference substitute (c)
I.....	Secretary of Transportation.....	Secretary of Transportation.....	Secretary of Transportation.....
II.....		Under Secretary of Transportation; Administrator, Federal Aviation Administration.	Under Secretary of Transportation; Administrator, Federal Aviation Administration.
III.....	Under Secretary of Transportation.....	Administrator, Federal Highway Administration; Administrator, Federal Railroad Administration; Administrator, Federal Maritime Administration; Chairman, National Transportation Safety Board.	Administrator, Federal Highway Administration; Administrator, Federal Railroad Administration; Chairman, National Transportation Safety Board.
IV.....	Plus 1 position to be placed by President. Assistant Secretaries (4); General Counsel; Chairman, National Transportation Safety Board; Director of Public Roads.	Plus 1 position to be placed by President. Members, National Transportation Safety Board (4); General Counsel; Deputy Administrator, Federal Aviation Administration; Assistant Secretaries (4); Director of Public Roads.	Members, National Transportation Safety Board (4); General Counsel; Deputy Administrator, Federal Aviation Administration; Assistant Secretaries (4); Director of Public Roads; Administrator, St. Lawrence Seaway Development Corporation.
IV or V.....	9 positions placed by President.	9 positions placed by President.	4 positions placed by President.
V.....	Assistant Secretary for Administration; Members, National Transportation Safety Board (4); Highway Safety Administrator.	Assistant Secretary for Administration; Traffic Safety Director; Highway Safety Director.	Assistant Secretary for Administration; Traffic Safety Director; Highway Safety Director.

CHET HOLIFIELD,
JACK BROOKS,
PORTER HARDY, Jr.,
HENRY S. REUSS,
JOHN N. ERLBORN,
CLARENCE J. BROWN, Jr.,
Managers on the Part of the House.

Strike out all after the enacting clause and insert:

"That the Secretary of Commerce, herein-after referred to as the Secretary, is authorized to (1) construct a border highway in the city of El Paso, Texas, between the approximate point of the beginning of the rectified boundary channel, two blocks west of Santa Fe Street in El Paso, thence along the international boundary to the International Bridge at Zaragosa Road—about twelve and a half miles east: *Provided*, That the design plans and specifications for this highway shall be developed to meet design and construction standards established by the Secretary; that the Secretary may work through the Texas State Highway Department in accomplishing any part of this project; that the planning, design, and construction schedule, and works shall be subject to review by the United States Commissioner, International Boundary and Water Commission, United States and Mexico, to assure coordination with the relocation of the river channel and relocation of related facilities, pursuant to the American-Mexican Chamizal Convention Act of 1964 (78 Stat.

184): *And provided further*, That the Secretary may at his discretion request that the United States Commissioner, International Boundary and Water Commission, plan and perform such part of the engineering and construction of the highway as may be warranted to assure coordination and efficient construction, and the Secretary may transfer to the Secretary of State funds necessary for such purpose; (2) acquire lands necessary for the border highway in accordance with the approved plans, through the United States Commissioner, International Boundary and Water Commission: *Provided*, That the provisions of the American-Mexican Chamizal Convention Act of 1964 (78 Stat. 184) for the acquisition of lands for the purposes of that Act will also apply to the acquisition of adjoining lands required for the border highway, and the Secretary may transfer to the Secretary of State funds necessary for such purpose.

"Sec. 2. The Secretary is authorized to convey all right, title, and interest of the United States in and to the highway authorized to be constructed by this Act to the State of Texas or the city of El Paso, Texas, except

CHAMIZAL BOUNDARY BETWEEN THE UNITED STATES AND MEXICO

Mr. KLUCZYNSKI. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 11555) to provide a border highway along the U.S. bank of the Rio Grande in connection with the settlement of the Chamizal boundary dispute between the United States and Mexico, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

that the Secretary shall not construct any highway under authority of this Act until such time as he shall have entered into an agreement with the State of Texas wherein the State agrees to pay to the Secretary of the Treasury at such time as may be specified by the Secretary an amount equal to 50 per centum of the cost of constructing such highway, including all costs of acquiring such additional lands or interests in such lands as may be required for the construction of the highway authorized by this Act and all preliminary engineering costs, and the State of Texas or the city of El Paso, Texas, agrees to accept all right, title, and interest to the highway upon completion of construction and agrees to maintain such highway for such period and in accordance with such terms and conditions as the Secretary determines necessary to protect the interests of the United States. Amounts paid by the State of Texas under this section shall be available to the Secretary, together with sums appropriated pursuant to section 3, for use in carrying out the provisions of this Act.

"SEC. 3. There is hereby authorized to be appropriated from the general fund of the Treasury not to exceed \$6,000,000, which shall be available for paying the Federal share of the costs of carrying out the provisions of this Act."

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

Mr. CRAMER. Mr. Speaker, reserving the right to object, I should like to ask my distinguished colleague, the gentleman from Illinois [Mr. KLUCZYNSKI], since the Committee on Public Works is now in conference on water pollution legislation, and has been for the past 2 weeks, could the gentleman from Illinois indicate when the gentleman contemplates a conference with the other body on this bill?

Mr. KLUCZYNSKI. Mr. Speaker, if the gentleman from Florida will yield, on either Monday or Tuesday, we have to go to conference with the Committee on Foreign Affairs and the Committee on Foreign Relations of the other body.

Mr. CRAMER. Well, Mr. Speaker, I would hope this would be done in a manner so that it will not interfere with completing these lengthy water pollution conferences presently underway.

Mr. KLUCZYNSKI. Mr. Speaker, if the gentleman from Florida will yield further, we hope to do that.

Mr. CRAMER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

The Chair hears none and appoints the following conferees: Messrs. KLUCZYNSKI, WRIGHT, and CRAMER.

COMMITTEE ON THE DISTRICT OF COLUMBIA

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that the Committee on the District of Columbia may have until midnight tonight to file certain reports.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

NARCOTIC ADDICT REHABILITATION ACT OF 1966

Mr. CELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 9167) to amend title 18 of the United States Code to enable the courts to deal more effectively with the problem of narcotic addiction, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and request a conference with the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. CELLER]?

Mr. CRAMER. Mr. Speaker, reserving the right to object, I am sure that the distinguished chairman has cleared this request with the ranking minority member, the gentleman from Ohio [Mr. McCULLOCH]?

Mr. CELLER. Yes, he has.

Mr. CRAMER. The gentleman has cleared it?

Mr. CELLER. Yes, the gentleman from Ohio [Mr. McCULLOCH] has conferred with me on all of this.

Mr. CRAMER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. CELLER]?

The Chair hears none, and appoints the following conferees: Messrs. CELLER, ASHMORE, GILBERT, McCULLOCH, and McCLORY.

CALL OF THE HOUSE

Mr. BROWN of California. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. HAYS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 354]

Addabbo	Dent	Hanna
Albert	Dickinson	Hansen, Idaho
Anderson, Tenn.	Diggs	Harvey, Ind.
Andrews, Glenn	Dingell	Hébert
Annunzio	Dorn	Helstoski
Arends	Dow	Herlong
Aspinall	Duncan, Oreg.	Hicks
Baring	Dwyer	Holland
Barrett	Dyal	Howard
Bingham	Edmondson	Huot
Blatnik	Ellsworth	Irwin
Boland	Evans, Colo.	Jarman
Bolling	Evins, Tenn.	Keith
Bow	Fallon	Keogh
Brademas	Farbstein	King, N.Y.
Bray	Farnsley	Long, Md.
Brooks	Felghan	Love
Burke	Fisher	McCarthy
Cahill	Flynt	McCulloch
Callaway	Fogarty	McDowell
Carey	Foley	McEwen
Clancy	Fulton, Tenn.	McMillan
Clark	Gilbert	McVicker
Clevenger	Gilligan	Macdonald
Collier	Goodell	Mackay
Cooley	Grabowski	Mackie
Corman	Green, Pa.	Martin, Ala.
Craley	Gross	Martin, Mass.
Culver	Grover	Matsunaga
Davis, Ga.	Hagan, Ga.	Miller
Davis, Wis.	Hanley	Minish

Morrison	Reinecke	Tenzer
Moss	Resnick	Thompson, N.J.
Multer	Rivers, Alaska	Thompson, Tex.
Murphy, N.Y.	Rodino	Todd
Murray	Rogers, Tex.	Toll
Nix	Ronan	Trimble
O'Brien	Roncalio	Tunney
O'Hara, Mich.	Rosenthal	Tuten
O'Konski	Roudebush	Vigorito
Olsen, Mont.	St Germain	Walker, Miss.
Ottlinger	Schmidhauser	White, Idaho
Pickle	Scott	Widnall
Pike	Slack	Willis
Powell	Steed	Wilson,
Pucinski	Stephens	Charles H.
Purcell	Stratton	Wyatt
Quie	Sweeney	Wydler
Reid, N.Y.	Taylor	

The SPEAKER. On this rollcall 289 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

CALL OF THE HOUSE

Mr. BURTON of California. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McFALL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 355]

Adams	Edmondson	Kelth
Addabbo	Edwards, Calif.	Kelly
Albert	Ellsworth	Keogh
Anderson, Ill.	Evans, Colo.	Kirwan
Anderson, Tenn.	Everett	Kluczynski
Andrews, Glenn	Evins, Tenn.	Krebs
Annunzio	Fallon	Long, Md.
Arends	Farbstein	Love
Ashley	Farnsley	McCarthy
Aspinall	Farnum	McDowell
Bandstra	Felghan	McEwen
Baring	Fisher	McMillan
Barrett	Flynt	McVicker
Belcher	Foley	Macdonald
Bell	Ford	MacGregor
Bingham	William D.	Mackay
Blatnik	Fraser	Mackie
Boland	Frelinghuysen	Madden
Bolling	Fulton, Tenn.	Martin, Ala.
Bow	Gathings	Martin, Mass.
Brademas	Gialmo	Martin, Nebr.
Bray	Gilbert	Mathias
Brooks	Gilligan	Matsunaga
Brown, Calif.	Goodell	May
Cahill	Grabowski	Meeds
Callaway	Green, Oreg.	Minish
Carey	Green, Pa.	Moorhead
Celler	Griffiths	Morrison
Clancy	Gross	Mosher
Clevenger	Grover	Moss
Cohelan	Hagan, Ga.	Multer
Collier	Halleck	Murphy, N.Y.
Conte	Hamilton	Murray
Conyers	Hanley	Nix
Corman	Hanna	O'Brien
Craley	Hansen, Idaho	O'Hara, Mich.
Culver	Hansen, Wash.	O'Konski
Daddario	Hardy	Olsen, Mont.
Davis, Ga.	Harvey, Ind.	Olson, Minn.
Dent	Hawkins	Ottlinger
Denton	Hébert	Pepper
Derwinski	Helstoski	Pickle
Dickinson	Herlong	Pike
Diggs	Hicks	Poage
Dingell	Hollifield	Powell
Dorn	Holland	Pucinski
Dow	Horton	Purcell
Dulski	Howard	Quie
Duncan, Oreg.	Hungate	Rees
Dwyer	Huot	Reid, N.Y.
Dyal	Irwin	Reinecke
	Jacobs	Resnick
	Kastenmeyer	

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D. C. 20250
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HIGHLIGHTS: House debated demonstration cities bill, which includes rural-housing amendments. Both Houses agreed to conference report on bill to create Transportation Dept.

HOUSE

1. HOUSING LOANS. Began debate on S. 3708, the demonstration cities bill. pp. 25539-79

As reported by the House committee, this bill includes amendments to the rural housing program to permit purchase of new (as well as used) homes, permit cosignors on any rural housing loan (now limited to elderly low-income), increase from \$1,000 to \$1,500 the limitation on loans and grants for repairs of very low-income families' homes, authorize direct loans for cooperative housing and for non-elderly rural residents of low income and insured loans for

non-elderly rural residents of moderate income, limit to \$300 million the amount of new rural housing loans to low or moderate income families that may be insured annually, without limit as to time. The bill removes the annual limit and provides instead a cutoff date of Oct. 1, 1969

2. TRANSPORTATION. Both Houses agreed to the conference report on H. R. 15693, to create a Department of Transportation. This bill will now be sent to the President. pp. 25588-92, 25506-10
3. APPROPRIATIONS. Received the conference report on H. R. 17637, the military construction appropriation bill (H. Rept. 2275). pp. 25529-30
4. FOREIGN TRADE. The Rules Committee reported H. Res. 1043, to authorize expenses for an investigation of European markets by the Banking and Currency Committee (H. Rept. 2259). p. 25537
5. AIR POLLUTION. Agreed to the conference report on S. 3112, to amend the Clean Air Act. pp. 25538-9
6. FISH AND WILDLIFE. Agreed to the conference report on H. R. 9424, providing for a program of conservation and protection of fish and wildlife which are threatened with extinction. This bill will now be sent to the President. p. 25581
7. APPLES. Rep. May commended the apple industry of Wash. p. 25610.
8. EXPENDITURES. Rep. Curtis urged economy in expenditures. pp. 25618-28
9. FOOD FOR PEACE. Rep. Findley spoke in favor of the amendment to bar assistance to those who trade with Cuba. pp. 25628-32
10. FARM PROGRAM. Rep. Olson, Minn., inserted speeches by the Vice President regarding the farm program, etc. pp. 25652-6
Rep. Foley gave a report to constituents, including commendation of the farm program. p. 25660
11. POVERTY; FISH PROTEIN. The conferees reached agreement on H. R. 15111, to extend and amend various poverty programs, and S. 2720, authorizing development of practicable means for production of fish protein concentrate. p. D999

SENATE

12. VETERINARY FACILITIES. Passed as reported S. 3348, to authorize a program for the construction of facilities for the teaching of veterinary medicine and a program of loans for students of veterinary medicine. p. 25485
13. MANPOWER; TRAINING. Passed without amendment H. R. 16715, to make various amendments to the Manpower Development and Training Act. This bill will now be sent to the President. pp. 25490-3
14. EDUCATION. Passed with amendments H. R. 14643, to provide for the strengthening of American educational resources for international studies and research. pp. 25485, 25493-506
15. TOBACCO. Sen. Tydings criticized the Department's denial of the 5-percent export subsidy payment for Maryland tobacco. pp. 25520-1

I should also like to take this opportunity to express once again and publicly to him and to the democratic members of my subcommittee what I have told them privately and that is the work we do together on legislation for the boys and girls of America is well worth doing. The statutes which contain it are all jointly written and owe what ever excellence they may have to the fact that we all agree on the ends we seek to attain.

I can never express to the Senator from Texas [Mr. YARBOROUGH], the Senator from Pennsylvania [Mr. CLARK], the Senator from West Virginia [Mr. RANDOLPH], the Senator from New Jersey [Mr. WILLIAMS], and the Senator from New York [Mr. KENNEDY], and above all, to the beloved chairman of our committee the great Senator from Alabama [Mr. HILL], how much their complete cooperation has meant to me. I thank each of them and the staff of the committee for their help to me on this bill, and I also express my deep appreciation to the many men and women in the Department and in the Office of the Senate Legislative Counsel who aided us on this ground-breaking legislation.

Mr. FULBRIGHT. Mr. President, I would like to associate myself with the comments of the Senator from Texas [Mr. YARBOROUGH]. I would like to add that I am completely pleased that the Senator from Oregon [Mr. MORSE] has been associated with this legislation and that he will continue to be in the future.

I think that this is, of course, much the most important kind of activity for the future of this country that we are engaged in. If there is any hope at all for a peaceful world it will result from the kind of activity for which this bill provides. Of course, we have to do it on a much larger scale and in a more understanding and intelligent manner.

Mr. President, I do wish to raise one question with which I know the Senator from Oregon agrees and that is: In the administration of this kind of activity, in which other countries participate, this country, being the largest, the most rich, and the most powerful, must be very careful not to try to Americanize it completely. We must take into account the sensibilities of other countries. It must be a multilateral program—if I may use that term—and not solely an American program where they get the idea that we are trying to impose on them our school ideas about education.

Mr. MORSE. Mr. President, I shall now make the comment that I was going to make after the passage of the bill when comments are made by Senators who are not members of the Committee on Labor and Public Welfare. In view of the statement which has been made by the Senator from Arkansas [Mr. FULBRIGHT] this is the most appropriate place to make that statement.

Mr. President, when the President first talked to me about this bill, at the time when he was talking to me about other parts of his legislative program, he told me he was going to send up a subsequent bill; and that he would have a subsequent conversation with me about it after the Department of Health, Education, and

Welfare and the Department of State prepared the bill.

I made a report of this, and Senators on the committee know about it, in our executive session.

The President said that he wanted me to work very closely with the Chairman of the Committee on Foreign Relations and the Committee on Foreign Relations in regard to the bill because there was also a great foreign policy interest in the bill. I have done that. I have kept the chairman, and particularly Dr. Marcy, the head of the professional staff of the Committee on Foreign Relations, apprised of the progress of the bill throughout the hearings, and executive sessions. The chairman of the Committee on Foreign Relations and Dr. Marcy have from time to time made suggestions that carried great weight with us in connection with our consideration of the bill. I have reported them to the committee as we came to the markup session.

Mr. President, I would like to have included in the body of my discussion of the bill my very deepest appreciation to the Senator from Arkansas [Mr. FULBRIGHT] for the great help that he and his professional staff have given to me in connection with the bill.

While I am saying that—because I see him sitting directly in front of me, and knowing that probably going through his head is the hope that I will finish the bill quickly—I want to express my thanks and appreciation to the distinguished majority leader for his great help to me in handling this bill even prior to scheduling for today.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. MANSFIELD. There was going through my mind the magnificent performance of the distinguished senior Senator from Oregon [Mr. MORSE] this year. The Senator has climbed the educational ladder with the elementary-secondary education bill, the higher education bill, and now the international educational bill. It is a magnificent, outstanding, and significant performance, and I give to the Senator all the credit in the world.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. JAVITS. Mr. President, I would like to suggest, in deference to the Senator from Arkansas [Mr. FULBRIGHT], that intelligent men can make any rules work.

The Senator from Arkansas [Mr. FULBRIGHT], instead of being niggardly about any question of jurisdiction, took a position that brought about the desired result. The Senator is fully a party to it. It is a great tribute to both of the Senators that the bill is before us and about to be passed.

Mr. MORSE. Mr. President, I wish to say that the Senator from Arkansas [Mr. FULBRIGHT] is a great teammate, and he is a great general. I am glad to be a private in his ranks.

Mr. FULBRIGHT. Mr. President, I cannot let that statement pass the Senate, but I am delighted to be a part of this entire area because it is the area that is meaningful. I regret that it is

not larger than it is, but there would have been no bill had it not been for the Senator from Oregon [Mr. MORSE].

Mr. THURMOND. Mr. President, I want the RECORD to show that I do not favor the passage of the pending proposal.

At the present time, we are approaching a financial crisis, and our country is engaged in fighting a war in South Vietnam. Our full resources and efforts should be devoted to winning this war. Consideration should be given now to only defense and other essential programs.

In view of this, I do not believe it is wise to authorize the expenditure of \$130 million for this new program for the fiscal years 1966 and 1969.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed the question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute as amended was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment, and the third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The question is on final passage of the bill.

The bill (H.R. 14643) was passed.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. MORSE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MORSE. Mr. President, I ask unanimous consent that the bill be printed as passed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, this is the third key education measure directed to successful Senate passage by the distinguished senior Senator from Oregon [Mr. MORSE] this session. This fact alone speaks highly for Senator MORSE's keen appreciation of the educational needs and problems of the Nation. It also demonstrates clearly his continuing devotion to the task of seeking ways to meet the needs—of offering methods to solve the problems.

So his quick response to the President's proposal for developing a comprehensive international education program—which, I add, is now encompassed in the measure just passed—serves only to emphasize once again Senator MORSE's unsurpassed dedication to public service, his ready advance of sound legislation to meet a vital need and his phenomenal ability to get the job done—and done well.

But like most outstanding achievements, the Senate's overwhelming endorsement of the international education program required the strong support of many Members of this body. This it received with typical cooperation. Particularly strong and most articulate on

this measure was the outstanding support of the senior Senator from New York [Mr. JAVITS]. Senator JAVITS, like Senator MORSE, has consistently demonstrated a deep and abiding interest in maintaining the superiority of the educational opportunities for the youth of the Nation. We are, as always, most grateful for his fine work on the Education Subcommittee.

Also to be commended for their splendid cooperative efforts on this measure are the junior Senator from Minnesota [Mr. MONDALE] and the junior Senator from Connecticut [Mr. RABICOFF]. But the Senate's efficient disposition of this proposal, in the final analysis, may be attributed to the cooperative action of every Member of this body. Once again, we all may be proud of another outstanding achievement.

DEPARTMENT OF TRANSPORTATION—CONFERENCE REPORT

Mr. JACKSON. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 15963) to establish a Department of Transportation, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of Oct. 12, 1966, pp. 25161-25167, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. JACKSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JACKSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JACKSON. Mr. President, the conferees were able to keep the Senate version intact on the main points of disagreement with one exception—the transfer of maritime functions.

The House agreed to accept the basic organization and structural provisions of the bill in the Senate version, including the distribution and assignment of functions, powers, and duties. This included acceptance of railroad, highway, and aviation administrators with statutorily assigned duties. Decision of these administrators will in certain matters be administratively final, subject only to appeal to the courts or the National Transportation Safety Board, as appropriate.

The House agreed to accept the Senate amendments strengthening the National Transportation Safety Board. This included acceptance of the Senate provisions assigning the Civil Aeronautics

Board's aircraft accident investigation functions to the Safety Board, and authorizing the Safety Board to conduct its own investigations into rail, highway, and pipeline accidents.

The retention of these Senate amendments relating to the organizational structure of the Department, and the strengthened role of the National Transportation Safety Board, insure that safety matters will be placed in the hands of trained experts, leaving the Secretary free to devote his efforts to the numerous other duties and responsibilities vested in him.

The Senate was also able to persuade the House to agree to the retention of section 7, relating to investment standards and criteria, including language regarding water resource projects. As Members know, the House had deleted this entire section from its version of the bill.

In this connection, the Corps of Engineers expressed some concern to the committee with regard to language in the Senate report amplifying the definition of primary direct benefits and the use of prevailing rates. The corps felt that the language in the bill itself was perfectly acceptable but that the report language was too restrictive. By way of clarification, I would like to say on behalf of the Committee on Government Operations that it was our intent that—and I state this for the legislative history:

Where available in the area of the proposed waterway, prevailing published rates being applied for movement of the type and approximate volume of each commodity considered as potential traffic for the proposed waterway are to be used in the economic analysis.

Where such constructed rates are necessary they are to be developed using rate structures on the alternative modes of transportation that have not been depressed due to their direct competition with an existing waterway.

Thus, Mr. President, it is the committee's intent that the resulting calculation of navigation benefits will be essentially those historically employed by the Corps of Engineers prior to the development of new procedures adopted in October 1960, which culminated in the directive of November 1964, and which was recently rescinded, as reported in letters from the Director of the Bureau of the Budget to the Chairman of the Public Works Committees dated August 24, 1966.

The House accepted the Senate language declaring it to be the national policy that special effort should be made to preserve the natural beauty of the countryside and public park and recreation lands, wildlife and waterfowl refuges, and historic sites. The Secretary is directed not to approve any program or project requiring the use of such lands unless there is no feasible and prudent alternative to its use, and such program includes all possible planning to minimize harm to such areas.

The House likewise accepted Senate language which transferred the St. Lawrence Seaway Development Corporation and the Alaska Railroad to the new Department.

The House agreed to the Senate pro-

visions on compensation of the various officers in the new Department.

The one exception, which the House insisted upon, and would not yield, was deletion of the transfer of maritime matters. Though the remaining days of this Congress may be few, the Senate would not yield on this point for two conference sessions. As Members well know, the Senate Committee on Government Operations realigned maritime functions in our bill to establish an independent maritime board within the Department and to give to the Maritime Administrator additional latitude in the administration of duties assigned to that office. Still further amendments to strengthen this position were accepted on the floor of the Senate during recent debate. But it was all of no avail in the conference. Nothing short of complete elimination of the transfer of maritime functions was acceptable to the House.

The mandate of the House on maritime matters was clearly and overwhelmingly cast when it adopted—by a vote of 260 to 117—an amendment specifically to delete the transfer of maritime activities from Commerce to the Secretary of Transportation, and to delete the Maritime Administration, which had been provided for within the Department.

The Senate finally and most reluctantly agreed to the House position at the end of the second conference session. The Senate would not have yielded were it not for two considerations.

First. In view of the House mandate if the maritime remained in the bill, the conference report would be rejected in the House and there would be no Department of Transportation during this Congress. Our task became "the art of the possible." Your conferees acting in accord with our mandate from the Senate, in the form of a 64 to 2 vote for a new Department, reluctantly acquiesced to deleting the provisions transferring maritime functions to the new Department, and establishing in the new Department a Maritime Administration and a Maritime Board.

Second. Though the maritime functions most regrettably are not transferred to the new Department, it will not thwart the purpose of this legislation, nor greatly diminish the mission of the new Department. In this Message to the Congress, President Johnson said that no function of the new Department, no responsibility of its Secretary, will be more important than safety. Maritime safety matters will be within the new Department through the transfer of the Coast Guard. The next most important responsibility of the Secretary is to provide leadership in hammering out a coordinated transportation policy. Though maritime functions are not transferred to the new Department, the Secretary of Transportation is granted substantive authority to exercise leadership under the direction of the President in transportation matters, including those affecting the national defense and those involving national or regional emergencies; provide leadership in the develop-

ment of national transportation policies and programs, and make recommendations to the President and the Congress for their consideration and implementation; promote and undertake development, collection, and dissemination of technological, statistical, economic and other information relevant to domestic and international transportation; and promote and undertake research and development relating to transportation.

In summary, the Secretary is granted authority to develop and to recommend to the Congress a coordinated transportation policy for all modes of transportation.

There were, in addition, other points of disagreement, and in the give and take of a conference there was accommodation by way of modifying, clarifying, and in some instances, meshing language of the two bills.

In summary, Mr. President, the will of the Senate prevailed in the main, save as to the transfer of maritime functions. It is an important exception, and it is regrettable that it is not included. This omission will not, however, defeat the purpose of the bill, and a new Department of Transportation can take its rightful place in the Cabinet of the Federal Government.

Mr. President, I move that the Senate agree to the conference report.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. JACKSON. I yield to the Senator from Arkansas.

Mr. McCLELLAN. Mr. President, during the course of the Government Operations Committee consideration of this bill to create a Department of Transportation, an unavoidable situation developed whereby, as chairman of the committee, I was unable to give the bill the attention that it required to be expeditiously processed. So I called upon my friend, the distinguished Senator from Washington [Mr. JACKSON], who is the ranking majority member of the committee, for assistance in handling this measure.

As always, he very graciously responded and moved forward with dispatch to achieve another in a long list of his many major accomplishments. Without his assistance and diligent work on this bill, it is very doubtful that it could have been successfully processed to enactment at this session of Congress.

I wish to thank him for the very valuable assistance he gave me.

Senator JACKSON's contributions toward the ultimate enactment of this bill are manifold. I especially want to pay tribute to him and to our fellow conferees in being able to retain my amendment to section 7 of this bill relating to water resource projects. It is high time that Congress recapture the initiative in developing the natural waterways of this Nation, and it will be able to do so through the language incorporated in section 7 of this bill.

The junior Senator from Washington has performed magnificently, and I commend him for the continuing assistance

he has rendered to the Committee on Government Operations, and for the great service he has performed on behalf of the Senate.

Again, I want to thank him and my colleagues on the committee who served as conferees for their support in those features of the bill which I deem so essential and indispensable to proper legislation in this field.

Mr. JACKSON. I wish to express my appreciation to the distinguished senior Senator from Arkansas for his generous comments on my work on this matter. I do want to point out that the distinguished chairman of the committee conducted lengthy hearings. He devoted much time to this measure. It was only in the latter days, because of other commitments and responsibilities, that it was necessary for him to forego, from time to time, a part of the work; but he carried the major load of the work in making the establishment of this department possible.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. JACKSON. I yield to my distinguished senior colleague. Let me first say that my colleague [Mr. MAGNUSON] introduced the administration bill, on which the committee held lengthy hearings. We on the committee are indebted to him for his advice and counsel.

I also want to express our appreciation once again to his staff on the majority side, the General Counsel, Mr. Gerald Grinstein, and Mr. Stanton Sender, for their help throughout the hearings and in connection with the conference report, as well as the staff of our committee, headed by Mr. James Calloway, and Mr. Eli Nobleman, who worked hard and long on this measure.

I also want to express appreciation to the conferees, who worked long and hard and had many discussions in an effort to get a conference report that would be acceptable to the House and Senate.

I now yield to my colleague.

Mr. MAGNUSON. Mr. President, I join with the distinguished chairman of the Government Operations Committee in adding my appreciation and deep praise for the work of my colleague on this very complex and important matter.

The Members of Congress who work in any phase of the field of transportation have become familiar not only with the complexities of the Nation's transportation system, but also with its controversies.

I assure my colleagues in the Senate that those controversies are not easily resolved. Some of them are long standing. Some of them are bitter. But with it all, we have one of the finest transportation systems in the world, and the only one that is under private enterprise. With few exceptions it is owned and operated by private enterprise. It is this fierce competition that causes some of the controversies. When my colleague assumed this task, I knew it would be fraught with difficulties. He did his task well. I urge my colleagues to adopt the conference report.

I wish to compliment the staffs of both

the Commerce Committee and the Government Operations Committee for the work they did on the bill.

My colleague from Washington [Mr. JACKSON] offered two amendments to the bill which I think considerably improve the provisions of the bill.

The first amendment declares it to be national policy that the natural beauty of our countryside and public parks should be preserved, and directs the Secretary not to approve any transportation plan or program which does not include all possible planning to minimize harm to such areas. This is a good amendment, and I wish to associate myself with this provision to insure the preservation of the natural beauty of our Nation in the construction of highways, railways, and other methods of movement of people and goods.

The second amendment which I think vastly improves the bill requires the cooperation and coordination on Federal transportation programs for urban areas by the new Secretary and the Secretary of HUD. This amendment will insure that we need not await the conclusion of the year's study on the location of urban transportation programs before we begin coordination of Federal programs in urban areas.

Lastly, I mention the provisions of section 7, which in itself was controversial when the bill was introduced. The ability of my colleague and the other conferees to work out section 7 and make the changes that were needed constitutes an improvement over the bill as it was introduced. The section now reads:

The Secretary is directed to develop, and from time to time in the light of experience to revise, standards and criteria for submission to the Congress for approval. This will insure that needed studies and economic analyses are made before such standards and criteria are placed into effect.

There are many other parts of the bill that I could discuss. There is one I wish to mention, because it provoked a great deal of controversy, which could probably have been foreseen when the bill was introduced. But the junior Senator from Washington, his committee, and the staff, I think, did the right thing in this matter. The matter to which I refer is the administration of our maritime statutes. I have spoken on the floor of the Senate many times about our domestic fleet and how it has dwindled from a proud fleet of over 400 vessels immediately before World War II to less than 80 vessels. I do not intend to restate again the deplorable condition of our bulk carrier fleet which today carries only 5 percent of the movement of dry and liquid bulk cargo in the U.S. foreign trade.

It cannot work to the advantage of our Nation's merchant marine to have the location of the administration of maritime matters left in limbo. There are a number of obvious advantages in having the Secretary of Transportation be the primary Government spokesman for the American merchant marine. The Senate amendments sought to provide an independent Maritime Subsidy Board and

a strong Maritime Administrator within the Department. Others, I know, feel strongly that the maritime program will not be vigorously carried out so long as it is located within a larger department which has other missions and programs. The maritime agency has been shuffled about the Government for 50 years without having found a permanent and effective home.

I have discussed this with other Senators. I see on the floor the distinguished Senator from Alaska [Mr. BARTLETT], who will be chairman of the Subcommittee on Merchant Marine and Fisheries of the Committee on Commerce next year. Next January we intend to hold committee hearings to see if we cannot reach a permanent solution to this perennial problem. The committee will consider whether the Maritime Administration should remain in Commerce, should be transferred to the new Department, or should be established in an independent agency.

The conference report—which was about all that could be worked out in this very highly controversial area—does not transfer maritime functions now in the Commerce Department. The new Secretary will, however, be assigned certain duties in the maritime field. The Coast Guard with its duties over maritime safety will be transferred to the new Department. The Secretary's responsibilities include providing leadership in the development of a coordinated transportation system, and the promotion of research and development in all modes of transportation. The new Secretary can exercise these statutory responsibilities even though maritime functions now remain in the Department of Commerce.

I do hope this will be understood by those who had a deep interest and participated in what I call an abiding controversy on this whole matter. I do not know what my colleague could have done other than what he did, in order to get a Department of Transportation established.

This is a great step forward. It is a historic step for the transportation industry in the United States. I think it will be one of the best things that ever happened to solve some of these controversies, and to go forward, so that we can have, not only a modern merchant marine, but also modern railroads, trucks, bus lines, aviation, and all the other modes which make up the world's greatest transportation system. We will need, of course, a transportation system for the future as this country grows.

With its acceptance in the Cabinet of the President, transportation will no longer be forced to speak from many tongues scattered throughout the executive branch; there should now be one unified voice.

The bill agreed upon by the conferees is not a perfect bill, but it will provide the framework for the establishment of a Department of Transportation. I urge its adoption as a beginning toward the ultimate, perhaps unrealizable goal, of bringing together all transportation activities in the executive branch within the confines of one Department.

In recommending the establishment of a Department of Transportation, President Johnson said that no function of the new Department—no responsibility of its Secretary—will be more important than safety. The new Department as set forth in the conference report will contain safety jurisdiction over all modes—highway, rail, air, and maritime. A new National Transportation Safety Board will be established within the Department to provide the focus for across-the-board review of safety matters, to conduct safety studies for the benefit of our Nation's transportation employees and travelers.

The operational continuity of safety activities transferred to the new Department will be preserved by the conference report. The Coast Guard will be transferred to the new Department as a legal entity, and will continue to operate under the Commandant of the Coast Guard, who will report directly to the Secretary. The Commerce Committee will continue its jurisdiction over annual authorization bills for the Coast Guard to insure thorough review and consideration of Coast Guard matters.

Motor carrier, rail, and pipeline safety now in the Interstate Commerce Commission will be transferred to the new Department, and the Federal Highway and Railroad Administrators will carry out the Secretary's duties in this area. An unnecessary layer of bureaucracy will be eliminated in the new Department by the provisions in the bill allowing direct appeals to the courts from decisions of these Administrators which involve notice and hearings required by law. Furthermore, language in section 4(e) requiring the Secretary to present to the ICC information on the safety fitness of applicants for ICC operating authority will insure that the Commission can carry out its congressionally assigned duties in certificate, transfer, and complaint cases. The substitute version will insure that the operational continuity of railroad, highway, and pipeline safety matters will be preserved in the new Department.

In supporting the transfer of the Federal Aviation Agency to the new Department, I strongly recommended that there should be no basic alteration in that Agency's present safety organizational structure. I also urged that the accident investigation functions now in the CAB should be retained in an independent agency separate and apart from the air safety duties now in the FAA which are to be transferred to the new Department. The Senate amendments, which were agreed to by the House conferees, preserve the organizational safety structure of the Federal Aviation Agency activities by transferring these duties within the Department to the Federal Aviation Administrator, and providing that his decisions in the exercise of these safety functions will be administratively final. The independence and separation of air accident investigation functions is preserved by transferring CAB duties to the National Transportation Safety Board, an independent board within the Department. This organizational struc-

ture should preserve the effectiveness of our present air safety activities while at the same time placing aviation matters within the new Department.

The National Transportation Safety Board, in the Senate version which was accepted by the House conferees, will be truly independent of the Secretary, but within the Department. This five-man, bipartisan board, consisting of a Chairman and four other members appointed by the President, with confirmation by the Senate, for 5-year terms will be the driving force for the improvement of safety within the Department.

Over half of the 105,000 Americans who died in accidents last year were killed as a result of transportation accidents. Nearly 50,000 deaths involved motor vehicles accidents alone. Next to the Secretary, the Chairman of the National Transportation Safety Board will have, in the long run, perhaps the most important duties in the new Department. The Safety Board will determine the probable cause of all transportation accidents, will investigate air accidents, and can investigate rail, highway, and pipeline accidents. Furthermore, the Board will have the important duty of conducting special safety studies and making recommendations to the Secretary and the Congress on means to reduce the terrible toll of transportation accidents. The Chairman of the Safety Board can provide the leadership, the drive, and the wisdom to save thousands of lives of his fellow Americans each year.

The Secretary will also have important safety duties, none perhaps more important than those which are transferred to the new Department under the provisions of the Highway Safety Act of 1966, and the National Traffic and Motor Vehicle Safety Act of 1966. The successful implementation of these new laws recently enacted by the Congress, will make our Nation's highways more safe for all Americans.

Second only to safety, the most important duty of the Secretary of Transportation will be the development of policy recommendations for a coordinated transportation system to be submitted to the President and the Congress for their consideration and implementation.

This year marks the 30th anniversary of the passage of the national transportation policy by the Congress. This policy has served the Nation well as a broad charter to promote the development of all modes of transportation under private enterprise. We have the world's outstanding transportation system, and the only one almost wholly operated by private enterprise. Our present system is not perfect, certainly, and it can and must be improved. In the next 20 years, if the growth of our transport industries merely keeps pace with our current national economic growth, the demand for transportation services will more than double.

The Secretary will provide a unified voice at the highest levels of Government for consideration of the needs of transportation. He will have the responsibility of providing leadership un-

der the direction of the President in transportation matters. The Secretary is assigned the vital responsibility in this new Department of providing leadership in the development of national transportation policies and programs, and making recommendations to the President and the Congress for their consideration and implementation.

I am particularly pleased that the Secretary has been directed to consult with the States and local governments, and with the heads of other Federal departments and agencies, in order to encourage the establishment and maintenance of a coordinated transportation system. The Secretary is also granted broad authority to conduct and promote research and development in all modes of transportation, including the problem of aircraft noise abatement.

In my testimony before the Government Operations Committee last March, I suggested that the committee consider assigning to specified officers and offices in the Department the important duties of acting as a spokesman for the public interest in merger proceedings, and giving the traveling public a voice in the councils of Government. The Committee report indicated that while such assignments were not written into the enabling legislation, the members of the committee unanimously urged the Secretary of Transportation to make promotion of passenger service and representation of the public in passenger merger proceedings a prime concern, and to that end to assign to an Assistant Secretary or other appropriate official in the new Department these important duties. I strongly urge the new Secretary to heed this directive.

I am in wholehearted agreement with the position of the President that there be no alteration of the economic regulatory functions of the Interstate Commerce Commission, the Civil Aeronautics Board, or the Federal Maritime Commission. The conference report preserves the economic regulatory functions of these Commissions. The Congress will continue to look to these independent agencies to carry out the legislative policies of the Congress in the regulatory field. The Commerce Committee will also continue to look to the regulatory agencies to recommend and comment upon legislation which affect their duties. This bill makes no change in the present practice of the ICC in making recommendations on legislation directly to the Congress. As Chairman of the Commerce Committee, I will continue to look to the ICC to make its independent views known on surface transportation legislation, and the CAB and FMC to make their views known on legislation affecting their aviation and maritime duties.

The Commerce Committee members are keenly interested in the success of legislation. As chairman of the Commerce Committee, I offer the new Secretary of Transportation a helping hand in carrying out the tremendous responsibilities vested in him. The Commerce Committee members, I know, will welcome his recommendations, and stand ready to be of assistance to him in the problems he will face. The Com-

merce Committee will continue to exercise its jurisdiction in transportation matters, and to aid the new Secretary in developing a coordinated transportation policy for the Nation.

I again congratulate my colleague and the committee, and I urge the adoption of the conference report.

Mr. BARTLETT. Mr. President, will the Senator yield?

Mr. JACKSON. Mr. President, I am happy to yield to the Senator from Alaska.

Mr. BARTLETT. Before speaking with respect to the conference report, I wish to say I was encouraged by what the chairman of the conference committee has said. I think it would be most useful if the committee, next winter, were to inquire deeply and realistically into matters pertaining to the maritime industry, in an endeavor to formulate a national policy. We have been waiting for years for the administration to make such a recommendation. It has not. Perhaps the committee will have to do it on its own motion. I would rather it were otherwise, but we shall be prepared.

Mr. MANSFIELD. Mr. President, I wish to commend the distinguished Senator from Washington [Mr. JACKSON] and the distinguished chairman of the full committee, the Senator from Arkansas, and express my approval of what they have done, but my deep disappointment that the Senate bill was not accepted, including the Maritime Administration provision. I am sorry it was not accepted. I think it should have been.

I shall vote for the conference report, because it was the best the Senate conferees could do, after a long, hard, and arduous conference with the House conferees. I have been asked by the distinguished Senator from Ohio [Mr. LAUSCHEL] to announce that he would be against the conference report.

Mr. JACKSON. Mr. President, I share the majority leader's deep disappointment. We, of course, did what was possible, and the conference report is the result. We had no other choice in the matter.

Mr. MANSFIELD. I understand that, and I commend the distinguished Senator and the committee.

Mr. MAGNUSON. This is a great step forward for transportation, and for the safety of our Nation's travelers.

Mr. MANSFIELD. I agree.

Mr. JACKSON. Mr. President, the able Senator from Connecticut was of invaluable help to us in the conference, and I wish to express my deep appreciation to him for his advice and counsel. I yield now to the Senator from Connecticut.

Mr. RIBICOFF. Mr. President, I wish to express both admiration and praise for the leadership shown throughout the consideration of this measure by the distinguished junior Senator from Washington [Mr. JACKSON] and the chairman of the committee, the Senator from Arkansas [Mr. McCLELLAN]. Both of them worked very hard on a most knotty and complicated proposal.

We have long been in need of a unified

transportation policy for this Nation. The pending bill goes a long way toward achieving it. I sat as one of the conferees on this committee. I express my admiration for the patience and the skill in which the Senator from Washington [Mr. JACKSON] conducted the affairs of the Senate during the conference.

I think it is safe to say that practically every point of a major nature that the Senate contended for was agreed to with one exception.

I join both of the distinguished Senators from Washington in expressing disappointment that the provision to include the Maritime Administration was not included in the bill.

I can testify to the fact that on this point the Senator from Washington was most persuasive. Yet, he and the House conferees were up against the very practical and hard fact that there had been a rollcall vote on this proposal in the other body and the vote was 261 to 117. This seemed from a practical standpoint to be an almost insurmountable hurdle to having the House yield.

I predict that the maritime interests in this country, both those representing the shipowners and those representing the unions, will be coming to the Congress in a very short period of time importuning Congress to include them in the Department of Transportation.

I believe that the maritime interests in fighting against this proposal have done their own industry and their employees a distinct disservice, because it puts the maritime transportation industry off by itself.

If we are really to have a uniform transportation policy for the interest of the entire Nation and of the maritime industry, that industry should be included.

My praise for the Senator from Washington can only be of the highest nature for the skill with which he conducted the conference in behalf of the Senate.

Mr. JACKSON. Mr. President, I thank the distinguished Senator for his kind remarks.

I yield to the distinguished junior Senator from Oklahoma who has taken such a keen interest in the water resources area and in matters relating to the Federal aviation industry.

Mr. HARRIS. Mr. President, I join in the commendations of the chairman of our full committee, the distinguished Senator from Arkansas [Mr. McCLELLAN] for his very diligent work and effort in connection with the pending bill and particularly with regard to his amendment, which I cosponsored, having to do with water resources development.

I especially commend the distinguished Senator from Washington [Mr. JACKSON] who shepherded the bill through the committee, and who led those of us who were in the conference committee in the consideration in conference of the pending bill.

I know that the bill is a much better bill than it would have been had it not been for him. The bill in many respects is not exactly as all of us would like it, but I believe that it is a good first step. I believe that other changes can be made

within this framework in the years to come by executive reorganization plans and by statute which will make the Department of Transportation better able to help develop a unified national transportation policy.

The pending bill is a good bill. I commend all those who worked on it, and particularly the staff members who have been identified earlier by the Senator from Washington.

I am pleased to support the conference report.

Mr. JACKSON. Mr. President, I thank the distinguished junior Senator from Oklahoma.

The distinguished senior Senator from South Dakota [Mr. MUNDT], who is the ranking minority member on the committee, is not able to be on the floor at the moment due to official business, but he made it possible for us to report unanimously on the pending conference report.

I express to him our deep appreciation for his contributions and assistance in making this new Department possible.

Mr. President, I yield to the distinguished senior Senator from Florida.

Mr. HOLLAND. Mr. President, I thank the distinguished Senator.

I, too, join in complimenting him and the other members of his committee for the fine job they have done.

The distinguished Senator will recall that during the Senate floor debate on this measure I addressed a question to him.

I should like to repeat that question to make sure that the situation explained by him at that time still exists.

As I understood the answer to my question at that time, it was that all those regulatory bodies, which exercise partly legislative duties and partly judicial duties, will still remain independent agencies and will not be assembled within the roof of this Department.

Mr. JACKSON. The Senator is correct. He is referring to the Interstate Commerce Commission, the Federal Communications Commission, and the other regulatory commissions.

Mr. HOLLAND. I am referring to the Interstate Commerce Commission, the Federal Communications Commission, the Civil Aeronautics Board, the Federal Power Commission, and other agencies which in the first instance were created to exercise largely legislative powers because the heavy and much-increased burdens on Congress that have developed in recent years would have made it impossible for Congress to do the things it had done heretofore and because of scientific advances and other factors.

Second, to those same agencies were entrusted judicial or quasi-judicial or semijudicial duties, so that frequently they are very properly accused of wearing two hats, and neither of those two hats has to do with their exercising strictly executive or administration duties.

My understanding at that time was that the pending bill would bring into the new Department executive and administrative duties only, but would leave these regulatory agencies with power to do these legislative and judicial or semi-

judicial acts as independent regulatory agencies. Is that still the situation?

Mr. JACKSON. The independent agencies remain in exactly the same situation, with some minor changes. Referring, for example, to the CAB, the accident investigation function is transferred to the National Transportation Safety Board.

I will answer as definitively, I think, as one can respond to the question of the Senator.

There are no changes in connection with any of the answers I gave to the Senator at that time. The bill was brought up on the floor as a result of the conference report now pending.

Mr. HOLLAND. Mr. President, I thank the distinguished Senator. I assumed that that would be the case.

That means that we will have, with the passage and approval of the pending bill, a new executive department in every sense of the word on a Cabinet level.

I think that is what we have needed. I think it should be enlarged, and I hope it will soon be enlarged to cover the maritime functions, because to my mind it is very difficult to rationalize any separation of maritime transportation problems from those problems that have to do with land and inland water and air transportation.

Mr. JACKSON. Mr. President, all modes of transportation, of course, should be included in the new Department.

The maritime industry is the only one left out. I pointed out in my remarks in chief, in explaining the conference report, that the Secretary of Transportation would have the authority to work out a broad national transportation policy covering all modes of transportation which would be submitted to Congress.

This would include, of course, his recommendations regarding the maritime industry, which was left out of the pending bill. In summary, he does retain authority to make recommendations to Congress in the maritime area as well as in other areas of transportation.

Mr. HOLLAND. I thank the distinguished Senator.

I thought I read in the remarks of the distinguished Senator from Oklahoma a few minutes ago the implied wish that the executive reorganization power might be utilized sometime in the near future.

If that was the meaning of the remarks of the Senator, I join him in those remarks.

We will still have a three-legged stool until we get the maritime industry added as a fourth leg to this needed and particularly useful chair.

I thank the distinguished Senator and compliment him again for his fine service.

Mr. JACKSON. Mr. President, I appreciate the remarks of the distinguished Senator from Florida.

Mr. BREWSTER. Mr. President, I am delighted to support the conference report on the Department of Transportation bill. This report would take the Maritime Administration out of the Department of Transportation entirely.

I would hope that this approach will pave the way for an independent Mari-

time Administration, and, ultimately, a rebirth of the American merchant marine. Certainly I intend to push for legislation to achieve this end.

The conferees have reached a very acceptable position. I would particularly like to commend Senator JACKSON, who has worked very hard on a most complex and controversial piece of legislation. The end result is a very fine bill which I am proud to support.

Mr. President, I move the adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

CHILD DEVELOPMENT GROUP OF MISSISSIPPI

Mr. JAVITS. Mr. President, I wish to call the attention of the Senate to a matter which has been receiving considerable attention in the press, and which I think deserves some consideration on the part of the Senate. It involves the development and future of an organization in Mississippi which is participating in the poverty program—the child development group, Mississippi.

Mr. President, the central fact is that this has been a going Headstart program, serving over 12,000 children in 121 centers in 28 Mississippi counties. I am informed that it is the largest single antipoverty program in the State of Mississippi.

It has come to the attention of the press that, somewhat abruptly, funds have been terminated. It had only recently been refunded by the OEO—in February 1966—with a \$5.6 million grant for a 6-month program. Abruptly, the program was canceled. An OEO release, dated October 2, 1966, gives the agency's reasons for this severe step as follows:

CDGM in its present organizational form, with its present administrative and operating personnel, and record of management, cannot lawfully be refinanced by OEO."

To buttress its decision, the Office of Economic Opportunity published a situation report containing the results of an "interim audit" completed on September 15, 1966, and a memorandum to Director Sargent Shriver from OEO General Counsel Baker. There are three categories of charges.

Briefly, these charges are, first, that there were administrative and management deficiencies, an allegation which is very sharply challenged by CDGM. The second charge is that "CDGM is not disposed toward the development of biracial community action agencies which could mount the broader based programs contemplated under title II." The third charge is that "The program conducted in most centers by CDGM has not been Headstart as we conceive it. The program has been increasingly oriented toward the economic needs of adults rather than the needs of children."

Since publishing these charges, OEO, acted speedily to fund other organizations to carry on similar programs in the same area, and, according to the Wash-

dividual is eligible under the provisions of chapter 87 of title 5, United States Code (relating to Government employees group life insurance), all changes in rates of compensation or salary which result from the enactment of this title shall be held and considered to be effective as of the date of enactment of this Act.

"Sec. 205. (a) Except as provided in subsection (b) of this section, this title and the amendments made by this title shall take effect on July 1, 1966.

"(b) Paragraph 2 of section 7(a) of the District of Columbia Teachers Salary Act of 1955 (as added by paragraph (5) of section 202 of this title) shall take effect with respect to appointments made by the Board of Education of the District of Columbia after July 1, 1965."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill.

JOHN L. McMILLAN,
BASIL WHITENER,
JOHN DOWDY,
ANCHER NELSEN,
FRANK J. HORTON,
JOEL T. BROYHILL,

Managers on the Part of the House.

ALAN BIBLE,
TOM MCINTYRE,
JOSEPH D. TYDINGS,
WINSTON L. PROUTY,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15857) to amend the District of Columbia Police and Firemen's Salary Act of 1958 to increase salaries of officers and members of the Metropolitan Police force and the Fire Department, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate struck out all the House bill after the enacting clause and inserted a substitute amendment which in addition to amending H.R. 15857 (providing pay increases for District of Columbia policemen and firemen) also includes pay increases for District of Columbia teachers. The House provided pay increases for District of Columbia teachers in H.R. 16337. The committee of conference has agreed to a substitute for both the House bill and the Senate amendment. Except for technical, clarifying, and conforming changes, the following statement explains the differences between the bills H.R. 15857 and H.R. 16337, as passed the House, and the substitute agreed to in conference.

Dog handler's pay.—The House bill, H.R. 15857, provided that certain officers and members of the Metropolitan Police force who performed the duty of dog handler should receive an additional \$610 per annum. The Senate amendment was identical to the House bill, except the amount of additional compensation per annum was set at \$580. The conference substitute conforms to the provision of the Senate amendment.

Disability benefits.—The House bill, H.R. 15857, in an amendment to the Policemen and Firemen's Retirement and Disability Act provided that officers and members of the Metropolitan Police force, the District of Columbia Fire Department, the United States Park Police force, the White House Police force, and the United States Secret Service who, for injury received or disease contracted in line of duty, retired for permanent total disability prior to October 1, 1956, would receive retirement benefits after July 1, 1966,

computed on the basis of the retirement law which went into effect after October 1, 1956. The Senate amendment contained no similar provision and neither does the conference substitute.

Widow's annuities.—The House bill, H.R. 15857, amended the definition of the term "widow" in the Policemen and Firemen's Retirement and Disability Act so that a widow of a retired officer or member would be eligible for an annuity if she had been married to the retired member before his retirement or at least two years preceding his death or if she was the mother of issue by such marriage. Present law provides that a widow is not eligible for benefits unless she was married to the retired officer or member before his retirement. The Senate amendment did not contain a similar provision and neither does the conference substitute.

Teacher's pay scales.—The House bill, H.R. 16337, provided an overall increase of approximately 7.9 percent in the salaries of all professional personnel in the public school system of the District of Columbia, except the superintendent and deputy superintendent. The Senate amendment provided an increase of approximately 8.9 percent in the salaries of all professional personnel in the public school system, including the superintendent and deputy superintendent. The conference substitute provides a salary increase of approximately 8.9 percent but this increase does not affect the salaries of the superintendent and deputy superintendent.

Teacher-aides pay.—The House bill, H.R. 16337, provided a salary schedule for the position of teacher-aide which began at \$4,715 per annum and rose to \$6,605 per annum. The Senate amendment to H.R. 15857 provided a salary schedule for such position beginning at \$4,965 and rising to \$6,990 per annum.

The conference substitute does not provide for a salary schedule for the position of teacher-aide within the District of Columbia Teachers' Salary Act of 1955. It is the understanding of the conferees that the positions of teacher-aide are now classified at grades GS-2 and GS-4 and are compensated in accordance with the General Schedule in section 5332(a) of title 5, United States Code. It is the intent of the conferees in not providing a salary schedule for the position of teacher-aide within the District of Columbia Teachers' Salary Act of 1955 that such positions will continue to be classified and compensated at a grade not higher than GS-4.

Limit on number of teacher-aide positions in school system.—The House bill, H.R. 16337, provided that the total number of persons who could occupy the position of teacher-aide—whether appointed under the District of Columbia Teachers' Salary Act of 1955 or any other Act—could not exceed 4 percent of the number of classroom teachers in salary class 15. The Senate amendment contained no comparable provision. The conference substitute is identical to the House bill H.R. 16337, except that the limitation is 5 percent of the number of classroom teachers in salary class 15.

Overage temporary teachers.—The Senate amendment contained a provision not in the House bill, H.R. 16337, which provided that those teachers who are temporary because of age limitations only but who are otherwise qualified shall be treated as permanent teachers for step placement purposes and shall be retained in the school system. The conference substitute is identical to the Senate amendment's provision.

Extra-duty pay.—The House bill, H.R. 16337, provided a schedule of additional annual compensation for teachers in salary class 15 who performed extra duty activities. Such schedule had a ceiling of \$750 per annum for any one activity. To qualify for

such additional compensation a teacher had to perform, in addition to a standard teaching load, an activity approved by the Board of Education which required at least 25 hours in any one semester and which involved students who had voluntarily selected such activity. The Senate amendment also provided additional compensation for the performance of an extra duty activity. However, the Board of Education, with the approval of the Commissioners and on the written recommendation of the superintendent, was authorized to establish the amount of additional compensation, and the only qualification for such compensation was that the teacher perform the extra duty activity on a continuing basis and in addition to the standard teaching load. The conference substitute is identical to the Senate amendment, except that there is a ceiling of \$750 per school year for any one extra duty activity.

JOHN L. McMILLAN,
BASIL WHITENER,
JOHN DOWDY,
ANCHER NELSEN,
FRANK J. HORTON,
JOEL T. BROYHILL,

Managers on the Part of the House.

ESTABLISHMENT OF THE GUADALUPE MOUNTAINS NATIONAL PARK

Mr. WHITE of Texas. Mr. Speaker, I ask unanimous consent for the immediate consideration of the concurrent resolution (S. Con. Res. 113) to provide for the establishment of the Guadalupe Mountains National Park in the State of Texas, and for other purposes.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 113

Resolved by the Senate (the House of Representatives concurring), That the Clerk of the House of Representatives of the United States be authorized to correct an enrolling error in H.R. 698, to provide for the establishment of the Guadalupe Mountains National Park in the State of Texas, and for other purposes, and that section 3(a) of H.R. 698, shall when corrected read as follows:

"When title to all privately owned land within the boundary of the park, subject to such outstanding interests, rights, and easements as the Secretary determines are not objectionable, with the exception of approximately 4,574 acres which are planned to be acquired by exchange, is vested in the United States and after the State of Texas has donated or agreed to donate to the United States whatever rights and interests in minerals underlying the lands within the boundaries of the park it may have and other owners of such rights and interests have donated or agreed to donate the same to the United States, notice thereof and notice of the establishment of the Guadalupe Mountains National Park shall be published in the Federal Register. Thereafter, the Secretary may continue to acquire the remaining land and interests in land within the boundaries of the park. The Secretary is authorized, pending establishment of the park, to negotiate and acquire options for the purchase of lands and interests in land within the boundaries of the park. He is further authorized to execute contracts for the purchase of such lands and interests, but the liability of the United States under any such contract shall be contingent on the availability of appropriated or donated funds to fulfill the same."

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. WHITE]?

There was no objection.
The Senate concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

Mr. McFALL. Mr. Speaker, I ask unanimous consent that the Committee on Merchant Marine and Fisheries may have until midnight tonight to file a report in connection with the bill S. 1349.

The SPEAKER. Without objection it is so ordered.

There was no objection.

DEPARTMENT OF TRANSPORTA- TION ACT

Mr. HOLIFIELD. Mr. Speaker, I call up the conference report on the bill (H.R. 15963) to establish a Department of Transportation, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of October 12, 1966.)

Mr. HOLIFIELD (during the reading of the statement). Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. HALL. Mr. Speaker, reserving the right to object, will the gentleman advise the House as to the effect of the amendments and the action of the conferees?

Mr. HOLIFIELD. I will be happy to do so. That is my intention.

Mr. HALL. I yield to the gentleman.

Mr. HOLIFIELD. Mr. Speaker, in presenting the conference report on H.R. 15963, I am not going to repeat the arguments for creating a Department of Transportation. The importance of the action that we are taking today is underlined by the fact that the new Department will bring together over 90,000 employees and \$6 billion of Federal funds which are now devoted annually to transportation through the agencies which it will unite. Even without the maritime features of the bill, the Department will be the fifth largest in the Federal Government. Transportation accounts for one-sixth of the gross national product and is one of our largest sources of employment. This Department will, indeed, play a major role in helping to solve the problems of our rapidly expanding population.

The conference substitute amendment preserves the basic concepts of the bill that was passed by the House. It does, however, differ in some respects.

The Senate amendment to the House bill had put back into the legislation two

major features which had been eliminated by floor action in the House.

First, the Senate had restored to the bill and to the Department, the maritime functions which the House had deleted. In doing so the Senate had created a Maritime Board and had given some definite powers to the Federal Maritime Administrator. After checking with the opponents of the maritime features in the House bill, the House managers concluded that the Senate language was still unacceptable to the House. We therefore, worked diligently and hard—and I may say against most of our own personal views on the subject—to uphold the position of the House by eliminating maritime features from the conference substitute. I am happy in some ways and unhappy in others to say that we were successful. The conference substitute leaves the maritime subsidy and other functions in the Department of Commerce, where they now are. The Coast Guard, of course, is still in the bill as it was left by the House and supervision of the St. Lawrence Seaway Development Corporation is placed in the new Department.

In return for their concession in deleting the maritime functions, the Senate conferees demanded that we agree to leave in the bill the section on transportation investment standards in the form in which it had passed the Senate. Again, a check with the House Members who had been most concerned in our earlier action, indicated that the Senate language was acceptable to those who had opposed section 7 earlier. The Senate version, which we accepted, requires that transportation investment standards and criteria be approved by Congress before the Secretary promulgates them; it contains the same basic exceptions as the earlier House version; it makes the Secretary a member of the Water Resources Council for the purpose of considering water resource projects having navigation features; and writes into law a formula for determining the navigation benefits of proposed water resource projects. It is my understanding that the formula placed in the statute requires a calculation of benefits according to the procedures employed by the Corps of Engineers prior to November 1964 and recently reinstated as reported in letters from the Director of the Bureau of the Budget to the chairman of the Public Works Committee dated August 24, 1966.

The conference amendment follows the Senate version with respect to aviation functions. It places the present safety functions of the Civil Aeronautics Board in the National Transportation Safety Board and the safety functions of the Federal Aviation Agency in the Federal Aviation Administrator. Decisions of the Federal Aviation Administrator with respect to the safety matters assigned to him are made administratively final, subject to appeal to the National Transportation Safety Board or the courts, as appropriate. Other aviation functions, including the development of the supersonic transport, are transferred to the Secretary with no specific statutory re-delegation made. As you may remember, this organizational structure was not ac-

cepted when proposed on the House floor. We have, however, always regarded this as a workable setup although we had preferred the version contained in the House bill.

The conference substitute provides that the Interstate Commerce Commission's railroad pipeline and motor carriers safety functions shall be carried out by the Federal Railroad Administrator and the Federal Highway Administrator. This merely spells out the basic concept of the act. A Senate clause which would make the decisions of the Railroad and Highway Administrators administratively final with respect to these functions was limited in the conference to decisions on matters involving notice and hearings required by statute.

I might say that there has been some misconception of the limitations put upon the Secretary by all versions of the Transportation Department bill. The Secretary's duties will be very important and very substantial. I will, at the close of this statement, include a memorandum on this subject. But let me read here just some of the important functions which are vested in the Secretary by the bill. His functions will include:

The administration of the multibillion interstate highway program:

The airport aid program, another very widespread operation;

The supervision of the Coast Guard, the development of high speed ground transportation, the operation of the Alaska Railroad, the supervision of the St. Lawrence Seaway Development Corporation, the administration of the Highway Beautification Act;

The administration of the Highway Safety Act of 1966 and the National Traffic and Motor Vehicle Safety Act of 1966;

The conduct of research and development in transportation including aircraft noise abatement; the development of proposed national transportation policies and investment standards and criteria.

In addition, he will control the budget of the Department and of its agencies; he will establish policy for the Department; he will be in charge of the hiring, firing, training and development of employees; and of course he will develop legislative recommendations to be made to Congress. I have stated previously that he will be in charge of developing the civilian supersonic aircraft.

We should make no mistake about it, the Secretary of Transportation will be a very powerful figure in the national transportation picture and will be a leading Cabinet member. While we have respected and preserved the basic existing concepts with respect to the organization of aviation safety and have given some safety functions directly to the Railroad and Highway Administrators, the Secretary will have general supervisory authority even over these. And as to the great bulk of the Department's duties, responsibilities and functions, they will be directly under the Secretary's supervision and control.

The memorandum is as follows:

DUTIES OF SECRETARY OF TRANSPORTATION AND MODAL ADMINISTRATORS

The Secretary's duties include the following across the board responsibilities:

1. Coordination and effective administration of transportation programs.

2. Improvement and coordination of transportation services.

3. Encouragement of cooperation among all interested parties, and consultation with other Government agencies involved in transportation.

4. Identification and solution of transportation problems and recommend to Congress policies for their implementation.

5. Coordination and reorientation of research and development in transportation.

6. Develop transportation investment criteria and standards.

7. Research and development on means to reduce noise, particularly aircraft noise.

The Secretary's duties include the following functions which are vested in him:

1. The Interstate Highway Program.

2. The Airport Aid Program.

3. The Operation of the Alaska Railroad.

4. The Coast Guard.

5. Highway Beautification Act of 1965.

6. The High Speed Ground Transportation Program.

7. The bridge and tolls functions transferred from the Corps of Engineers.

8. Automobile Safety (the Highway Safety Act of 1966; and the National Traffic and Motor Vehicle Safety Act of 1966).

9. Standard Time and Daylight Time administration (Uniform Time Act of 1966).

10. The National Driver Register.

11. Supervision and direction of the St. Lawrence Seaway Corporation.

12. The Great Lakes Pilotage Act of 1966.

The Secretary as head of the Department will:

1. Control the budget.

2. Submit legislative recommendations.

3. Establish policy.

4. Hire employees.

5. Administer housekeeping provisions.

The Federal Highway Administrator will, by this Act, be directed to exercise the Secretary's authority over motor carrier safety. This involves 160 I.C.C. personnel, and a budget of approximately 1½ million dollars a year.

The Federal Railroad Administrator will, by this Act, be directed to exercise Secretary's authority over railroad and pipeline safety. This involves 240 I.C.C. personnel, and a budget of 3½ million dollars a year.

The Federal Aviation Administrator will, by this Act, be transferred and directed to exercise the following safety duties under the Federal Aviation Act:

1. Control use of navigable airspace.

2. Operate and maintain air navigation facilities.

3. Prescribe air traffic rules and regulations.

4. Promulgate rules and regulations for issuance of airman and aircraft certificates.

5. Prescribe minimum standards for design and construction and performance of aircraft, including developmental and research work.

6. Establish security provisions to permit maximum use of navigable airspace.

The Secretary's duties in aviation include:

1. Administer the Federal Airport Act program.

2. Administer the International Aviation Facilities Act.

3. Operate Washington National and Dulles Airports.

4. Administer Aircraft registration and title recording.

5. Development of a Civil Supersonic aircraft.

6. Provide aviation war risk insurance.

Might I say that we restored the arrangement of aviation functions which the gentleman from Illinois [Mr. ERLENBORN] wanted in the bill and which was defeated in committee. But now it is back in the bill as he desired.

At this point I just want to take 1 minute to say I have never worked with members of a committee or in a conference with members who were more reasonable and firm in their views, it is true—but reasonable, than the gentleman from Illinois [Mr. ERLENBORN] and the gentleman from Ohio [Mr. CLARENCE J. BROWN, JR.], whose father we all knew and respected so highly. They did a fine job. They were firm in their views. We accepted many of their views and they accepted some of ours.

When we got into conference, we found the same situation with the other body. They accepted some of our views and we accepted some of theirs.

Mr. Speaker, we have a good bill here. It is a bill that lays the basis and foundation for a very effective cabinet level department and gives to the Secretary tools to work with to plan and develop a national transportation policy and coordinate the modes of transportation contained in the bill.

We believe it will take him some time to do this, but when he does do this he must come back to the respective committees having jurisdiction in the Congress and get their approval before putting it into effect. We have retained in this bill, I might say to my friend, the gentleman from Missouri [Mr. HALL], the strength of the legislative branch as well, I believe, as any bill that has ever been passed by this House of Representatives. We have strengthened it actually in some instances over what it was before this bill was brought by the executive branch to our committee.

This bill is a different bill from the one the administration sent up. It is a congressional bill. It was written by the Congress.

Mr. HALL. Mr. Speaker, the gentleman from California knows that he is saying things dear to my heart, after serving for the past 2 years as a member of the Joint Committee on Reorganization of the Congress.

I would especially commend the conferees on the agreement they finally obtained in the conference on the provisions of the House bill as far as the number of positions needed in all five different categories by the new Cabinet member who will be the Secretary of Transportation.

I wonder if the gentleman would add one word about the total cost of the bill as it comes back from the conference as compared with the cost of the House bill when it was passed here.

Mr. HOLIFIELD. There is a difference between \$25,000 and \$50,000.

Mr. HALL. Is that an increase or a decrease?

Mr. HOLIFIELD. It is a little decrease as compared to what it was when passed by the House.

Mr. HALL. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from California that the further reading of the conference report be dispensed with?

There was no objection.

Mr. HOLIFIELD. Mr. Speaker, at this time I yield 5 minutes to the gentleman from Illinois [Mr. ERLENBORN].

Mr. ERLENBORN. Mr. Speaker, I thank the gentleman from California for yielding.

I would like to reiterate what the gentleman said at the end of his explanation to the gentleman from Missouri, and that is that this bill has been considerably rewritten, both in our House committee, again by the Senate, and in conference. This is a bill that is the product of this Congress, and is not to any great extent the same bill that was sent to us by the administration. I think we can be proud of our handiwork.

The principal difference that I would like to call attention to between the version that we are presenting to you in this conference report and the bill as it passed the House lies, first, in the field of aircraft accident investigation. This is one area in which I had very strong feeling. I offered on the floor of the House, as well as in the committee before we brought it to the floor, an amendment that would have put the duty to investigate aircraft accidents in a board separate from the Secretary, so that we would maintain the now historic separation of the function of conducting the traffic in the airplanes and investigating accidents that occurred in the air.

I am happy to say that the Senate did this, and in the conference we adopted this principle. We did away with the Office of Aircraft Accident Investigation in the Department, and we put this function in the National Transportation Safety Board.

The other area is in section 7, "Standards and criteria." I had mixed emotions about this section. I thought maybe it was a mistake for the administration to have had the section in the bill in the first place, because this is the oft-referred to "can of worms" that was opened up. We had only two ways to go, or one of two ways: either to disturb the historic, somewhat gray area balance between the executive and legislative branch of the Government in the area of standards and criteria, either to the advantage of the legislative branch or to the advantage of the executive branch.

Of course, the bill that was given to us by the executive branch tipped the scales in favor of the executive branch, and that section was not acceptable to me, and neither was it to this House, because we took section 7 from the bill before passing the bill.

In the Senate the scale was tipped in the other direction. We have provided now that standards and criteria can be established only after congressional approval.

If the scales are to be tipped at all, I prefer that they be tipped in favor of the conference report. So I am happy that section 7 has this provision for congressional approval before standards and criteria are put into effect.

There is one other part of section 7 that I am not completely pleased with. Section 7(b) I think in a way undoes what we attempted to do in 7(a) and that is it does require that every other department or agency of the Government, when preparing a plan, survey or report, not only follow the congressionally approved standards and criteria, which is all

right with me and the rest of the Members, I am sure, but then it goes on to say that they must make their report on the basis of information given to them and developed by the Secretary, including the relative merits and efficiency of modes of transportation, taking this judgment away from the other agencies and departments, and making the Secretary of Transportation the sole voice in making these determinations, and in this particular area without congressional approval.

With this one exception I wholeheartedly endorse the work of the conference committee. I am very pleased with the bill. It is a better bill than it was when it left the House, and certainly a much better bill than the one originally introduced at the behest of the administration.

I think the conference committee has done a fine job. I want to thank the gentleman from California for his fine cooperation and sometimes his patience and understanding with the gentleman from Ohio, CLARENCE BROWN, and myself when we tried to hold out for some points now and again during the conference.

I hope that conference report will be adopted by an overwhelming vote.

Mr. HOLIFIELD. I thank the gentleman for his remarks.

Mr. Speaker, I yield to the gentleman from Ohio [Mr. CLARENCE J. BROWN, JR.] the other conferee on the minority side.

Mr. CLARENCE J. BROWN, JR. Mr. Speaker, I thank the gentleman.

As the gentleman from California knows, I was one who was most concerned, as this bill developed in the subcommittee and in the committee hearings and later in the debate in this House and then in conference, about the question of congressional prerogatives. As the gentleman from Illinois [Mr. ERLBORN] has stated, we feel that in general these prerogatives have been pretty well defended by the legislation which is now before the House for approval as a result of the conference action.

I should like to ask the gentleman from California, the chairman of the committee and the father of this piece of legislation, a couple of questions in connection with section 7(b).

The requirement is that surveys, plans and reports prepared by every agency of the Federal Government which relate to proposals in the transportation area must be in agreement with the standards and criteria promulgated by the Secretary. As I understand further, these standards and criteria promulgated by the Secretary must, in turn, be in accord with the transportation policies as approved by Congress, as provided in section 2.

With that prohibition, I would presume we would then jump back and suggest that the surveys, plans and reports which every Federal agency prepares in connection with proposals would themselves be in square with the transportation policies that have been approved by Congress prior to preparation of the surveys, plans and reports by individual agencies.

Mr. HOLIFIELD. Section 2 provides that the Secretary shall develop and

recommend to the President and the Congress for approval national transportation policies and programs to accomplish the objectives set forth in the bill, "with full and appropriate consideration of the needs of the public, users, carriers, industry, labor and the national defense." I would say that he has to take that into consideration.

I believe subsection (a) is very clear, It says:

The standards and criteria developed or revised pursuant to this subsection shall be promulgated by the Secretary upon their approval by the Congress.

It is very plain to me that they must be approved by the Congress before promulgation.

Mr. CLARENCE J. BROWN, JR. And, in turn, the surveys, plans and reports which individual agencies prepare would be in square with these standards and criteria, and in turn in square with the national transportation policies as approved by Congress.

Mr. HOLIFIELD. I would think they would have to be, under the language. They must take into consideration the different criteria.

I shall be glad to defer to the man who I believe knows as much as or more than anyone else concerning water resource projects.

Mr. JONES of Alabama. Mr. Speaker, will the gentleman yield?

Mr. CLARENCE J. BROWN, JR. I am happy to yield to the gentleman from Alabama.

Mr. JONES of Alabama. The purpose of this section was to correct what we believed to be an unwise policy of the executive branch of the Government in the issuance of the criteria that they advanced in November 1964. At our behest, starting in February of this year, along with the gentleman from Florida [Mr. CRAMER] and other members of the Public Works Committee, we have sought to set aside the regulation that imposed upon the Corps of Engineers a set of criteria known as "separable cost."

We thought it was an unwise policy because it restricted the Congress in giving approval to projects under that criterion. Now, very lately the administration withdrew from the position it had formerly occupied under the November 1964 regulation. The language that is contained in this bill sets up the pre-November 1964 formula for water resources projects. The standards or criteria that will be employed by the executive branch for other transportation projects must be approved by the Congress.

Mr. CLARENCE J. BROWN, JR. Mr. Speaker, I would like to ask the gentleman from Alabama [Mr. JONES] if I may, a somewhat hypothetical question. Let us presume that the Secretary develops a standard or criteria with reference to rail transportation which has been approved by the Congress, as it must, under the language of this legislation as it is now proposed. Now, this rail policy may be in conflict with a water resource policy standard or criteria which the Secretary has proposed and which has been approved by the Congress under the language of section 7(a) and which has

been promulgated by the Secretary. I would presume that, in spite of the somewhat restrictive language in 7(b), the standards and criteria in conflict would allow for the reports of the agencies involved to reflect that conflict between a rail policy that is inconsistent with a water policy. Is that correct?

Mr. JONES of Alabama. If you will note, in section 7(b) it says every survey, plan, or report formulated by a Federal agency which includes a proposal as to which the Secretary has promulgated standards and criteria pursuant to subsection (a). Under subsection (a) it provides that these standards and criteria shall be promulgated by the Secretary upon their approval by the Congress. So it actually means that the Congress will determine the criteria of economic benefit by which each project will be analyzed. I think water resource projects will be divorced from and they will be separate and apart from the cost of the railroads and any other mode of transportation.

Mr. CLARENCE J. BROWN, JR. It includes the consideration by the Congress, however, of the fact that two modes of transportation might be in conflict and two policies could be in conflict. In other words, it brings this to the attention of the Congress so that the Congress can have a report on this problem, does it not?

Mr. JONES of Alabama. Yes. If I understand the gentleman's question, there might be some relationship one to the other. If those questions were to arise, then we would have the opportunity to set whatever standards or criteria we think are reasonable and prudent.

Mr. CLARENCE J. BROWN, JR. Congress would have this opportunity?

Mr. JONES of Alabama. That is right.

Mr. CLARENCE J. BROWN, JR. And it would not be settled in the executive branch by the simple means of quieting any difference of opinion in the executive branch?

Mr. JONES of Alabama. I am not saying the Congress will take into account the separable costs idea which is being employed by the Department by its action of November 1964.

Mr. CRAMER. Mr. Speaker, will the gentleman yield further on that point?

Mr. CLARENCE J. BROWN, JR. I am happy to yield to the gentleman from Florida.

Mr. CRAMER. In addition to that I will say, is it not correct that when the actual plans and surveys are submitted to the Committees on Public Works of the House and Senate, that at that time there can be another review after the general criteria are reviewed, and a review relating to each specific project can be had by the Congress at that time?

Mr. JONES of Alabama. The gentleman from Florida is eminently correct. That is the purpose of the whole section. And it preserves to the Congress the opportunity to work its will on every prospectus and upon every project submitted to the Congress.

Mr. CLARENCE J. BROWN, JR. Mr. Speaker, if the gentleman from Cali-

ifornia [Mr. HOLIFIELD] will yield further, I would like to conclude my comments by saying that for my part, as a freshman member of this committee and the subcommittee, the gentleman, in his presiding over the consideration of this legislation, has shown certainly a great deal of courtesy and consideration to the minority, and I feel that his presiding at the conference was an excellent job, and was most effective in trying to attain the best possible terms and conditions which those of us on our side of the Capitol could have obtained.

Mr. Speaker, as a result of this happy compromise between the minority and the majority, and the compromise between the two Houses of this Congress, I feel we have obtained an excellent piece of legislation of which the gentleman from California can be justifiably proud as the legislative father of this new Department of Transportation.

Mr. HOLIFIELD. Mr. Speaker, I thank the gentleman from Ohio for his remarks and, as the gentleman knows, I suborned some of my own personal convictions on occasion on some of these matters in order to carry out the expressed will of the House, and I feel we have done this in this respect.

Mr. JONES of Alabama. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. I am glad to yield to the distinguished gentleman from Alabama.

Mr. JONES of Alabama. Mr. Speaker, I, too, want to commend the gentleman from California [Mr. HOLIFIELD] and the members of the committee for bringing back to us section 7, which was really the most difficult section with which to deal.

Mr. Speaker, I am satisfied that this section will give us some uniform approach and some constancy of application in arriving at the criteria necessary to evaluate the transportation investments standards.

Therefore, Mr. Speaker, I again want to say that as a member of the committee and as a Member of the House of Representatives, the committee is certainly to be commended.

Mr. HOLIFIELD. Mr. Speaker, I wish to thank the distinguished gentleman from Alabama and his colleague, the gentleman from Texas [Mr. WRIGHT], who serve on the Committee on Public Works, for their advice to me upon every occasion when I got into deep water, so to speak, and upon technical details of water resources and other types of reclamation legislation, with which I was not too familiar, because they stood by and gave me the benefit of their expert testimony and advice, and I appreciate that very much.

Mr. Speaker, at this time, I yield such time as he may consume to the gentleman from Illinois [Mr. KLUCZYNSKI].

(Mr. KLUCZYNSKI asked and was given permission to revise and extend his remarks.)

Mr. KLUCZYNSKI. Mr. Speaker, I am pleased to see section 4(f) appear in this bill. Its inclusion is certainly consistent with the desire to protect America's natural beauty—as expressed by the Congress and the administration, and as

demanding by the American people. Further, it is consistent with a similar provision embodied in the Federal-Aid Highway Act of 1966 with the additional benefit of requiring that the same consideration be given in developing all forms of transportation plans and programs.

I thoroughly support the intent of this bill, but I would like to sound a word of caution in interpreting section 4(f). There is no question in my mind that the protection of our parks, open spaces, historic sites, fish and game habitats, and the other natural resources with which our Nation is so richly endowed, is of the utmost importance and urgency, but not to the total exclusion of other considerations. To do so would result in as many inequities as justifying transportation plans merely on the basis of economy or efficiency. Other considerations would include the integrity of neighborhoods, the displacement of people and businesses, and the protection of schools, and churches and the myriad of other social and human values we find in our communities.

Attempting to define "feasible alternative" in light of all of these considerations is virtually impossible and may result in hampering and otherwise unnecessarily delaying transportation progress. The problem was resolved in the 1966 Highway Act by rephrasing the requirement to read, "unless such program includes all possible planning, including consideration of alternatives." I am glad to see the words "and prudent" added to this section by the conference committee. With this inclusion, and with "prudent" as the operable word, this section now becomes workable and effective and I fully support and intend to vote for the bill as written.

Mr. ROSTENKOWSKI. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman.

(Mr. ROSTENKOWSKI asked and was given permission to revise and extend his remarks.)

Mr. ROSTENKOWSKI. Mr. Speaker, section 4(f) of this bill would extend to all forms of transportation the safeguards incorporated in the recently enacted Federal-Aid Highway Act of 1966 requiring the Secretary to use maximum effort to preserve public parklands and historic sites.

This is a good amendment. I supported this principle in the Highway Act and I support it in the bill now before us. However, I would like to recall for my colleagues the concern that was voiced when the Highway Act was pending. Fear was expressed that the amendment might be misinterpreted to mean the preservation of natural and man-made resources would be the overriding consideration in highway construction. It was made clear at the time that as desirable as parkland preservation might be, other important factors must be considered.

We are now confronted with the identical situation. However, I will support section 4(f) on the basis that it is the clear intent of the Congress to establish only guidelines for the approval

by the Secretary of any transportation program or project requiring the use of land from a public park, recreation area, wildlife or waterfowl refuge, or historic site.

This approval is made contingent on two factors: That there is no feasible and prudent alternative to the use of such land, and that such program includes all possible planning to minimize harm to those areas.

I heartily endorse the guidelines. I also want the record to show, however, that it is not the intent of the Congress to tie the Secretary's hands. As much as I want to see the use of those areas avoided if possible, and our natural and manmade resources preserved. I can easily foresee circumstances when it may be vital to use such land.

For instance, if it became necessary to choose between preserving a wildlife refuge or saving human lives by a highway improvement, I do not think any of us would have any doubt as to which choice should be made. Or, if there were a choice between using public parkland or displacing hundreds of families, with the attendant burden imposed on them, I would want the Secretary to weigh his decision carefully, and not feel he was forced by the provision of the bill to disrupt the lives of hundreds of human beings.

If I felt that this measure placed less value on the preservation of human life than it did on the preservation of wildlife refuges, I could not in good conscience support it. We should memorialize the Secretary to give full consideration to the preservation of public lands, but not at the expense of human lives and human welfare.

I support enthusiastically the provision that if he determines public land must be used, all possible planning be done to minimize harm to the land. I am confident that the Secretary would take this precaution, even if it were not incorporated in the bill.

Mr. CRAMER. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman.

Mr. CRAMER. Recognizing the exigencies of the time, we have provided in the Highway Act of this session, Public Law 574, on the subject matter the gentleman from Illinois was discussing, that this question of conforming highways to the preservation of parks should not be effective until July 1, 1968. As I understand the provisions of section 4 (f) it says that the effective date of this act shall mean 90 days after the appointment of a Secretary, or when the President so declares by proper publication.

What date in the gentleman's opinion would be the effective date relating to conforming highway construction to park purposes, when in our specific legislation we said July 1, 1968, and in this situation it says obviously 90 days from the appointment of the Secretary, or when published.

Mr. HOLIFIELD. The gentleman calls my attention to a discrepancy that I was not aware of. We tried in every way possible to protect the bill. I believe the way the language reads here, that

it does read read "after the effective date of this act."

Mr. HARDY. Mr. Speaker, if the gentleman will yield?

Mr. HOLIFIELD. I yield to the gentleman.

Mr. HARDY. I think that it would be correct to say, would it not, that it was not our intention to accelerate this date that had been decided on past the statutory law?

Mr. HOLIFIELD. That is certainly true that it was not our intention to accelerate the date, and we were unaware that we were accelerating the date in this language.

Mr. CRAMER. I thank the gentleman for yielding.

Mr. HOLIFIELD. I might add to the gentleman that the language in question came from the other body in conference.

Mr. CRAMER. I understand that.

Mr. HOLIFIELD. And we could not change this under the circumstances.

Mr. CRAMER. I understand that.

If the gentleman will yield further?

Mr. HOLIFIELD. I am glad to yield to the gentleman.

Mr. CRAMER. Section 7, which has been much discussed, as I understand all projects that are grants in aid in nature are excluded from the set of standards and criteria in 7(a), likewise water resources projects are excluded, and I therefore assume that those would be excluded from subsection (b), which refers to action by the Secretary?

Mr. HOLIFIELD. That is correct; the gentleman is correct. The six exclusions pertain to the whole section 7.

Mr. CRAMER. I thank the gentleman for yielding.

Mr. HOLIFIELD. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

(Mr. JONES of Alabama asked and was given permission to revise and extend his remarks.)

HOUR OF MEETING FRIDAY

Mr. McFALL. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. McFALL]?

There was no objection.

AUTHORIZING A WORK RELEASE PROGRAM FOR PERSONS SENTENCED BY COURTS OF THE DISTRICT OF COLUMBIA

Mr. DOWDY. Mr. Speaker, I ask unanimous consent that the Committee on the District of Columbia be discharged from further consideration of the bill (S. 1319) to authorize a work release program for persons sentenced by the courts of the District of Columbia; to define the powers and duties in relation thereto, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. Dowdy]?

Mr. GERALD R. FORD. Mr. Speaker, reserving the right to object, and I do not intend to object, I would hope that the gentleman from Texas and the gentleman from Minnesota representing the minority will make a record of the needs and necessities and answer any inquiries in the discussion of the legislation.

Mr. DOWDY. We will do this.

I might say to the gentleman that this bill adopts the Federal program for work release of the prisoners for the District of Columbia. That is all this bill does.

Mr. GERALD R. FORD. Mr. Speaker, I thought this was the bill the gentleman from Minnesota had spoken to me about earlier and which I knew the gentleman from Texas was going to bring up.

Mr. DOWDY. That will be the next bill. We thought we could get this one out of the way.

Mr. GERALD R. FORD. Will the gentleman insert in the Record the information I asked for on this bill?

Mr. DOWDY. Yes.

(Mr. DOWDY asked and was given permission to revise and extend his remarks.)

PURPOSES OF THE BILL

Mr. DOWDY. Mr. Speaker, the purposes of the bill (S. 1319) are to authorize the courts of the District of Columbia to release selected offenders from prison confinement at specified times (a) to obtain or engage in gainful employment, and (b) whenever, in the discretion of the sentencing court, there exist special circumstances as merit the granting of the privilege.

The objectives of this work release program are directed primarily at rehabilitation of younger misdemeanants convicted of minor offenses, and also to reach persons who are contemptuous of court orders under which they are obligated to pay fines, or make other payments for support of children or other dependents.

The purposes are well summarized by the Commissioners of the District of Columbia in their request of the Speaker that such legislation be enacted:

A number of beneficial results may be anticipated from the establishment of a work release program. One of the most important is cohesion of the family unit through keeping an employed or employable offender engaged in gainful employment, thus assuring continued contributions toward the family's financial support, and reducing the likelihood of relief rolls or welfare costs for its dependents. A work release plan enables an employed offender to maintain his occupational skills and aids his employer in avoiding the recruitment and training of a replacement. Still another benefit is the avoidance of the full stigma of total imprisonment and its effect on the offender's morale, self-respect, dignity and rehabilitation. On the other hand, the incarceration of the offender during the major portion of his sentence (primarily at nights and on weekends) should insure that the prisoner will not go entirely unpunished for his offense against society.

PRECEDENTS FOR THE LEGISLATION

The legislation is patterned after similar laws in North Carolina, 1957; Mary-

land, Wisconsin, 1913; and Minnesota, 1957, which have been remarkably successful, not only in the benefits to the individuals involved, but also to the taxpayers who have been largely relieved of the support of these persons during their confinement.

The bill as introduced is the outgrowth of a study which was begun in January 1962, by a committee of the Council on Law Enforcement in the District of Columbia, established pursuant to section 401, the District of Columbia Law Enforcement Act of 1953—Public Law 85-83, approved June 29, 1953, 67 Stat. 91, District of Columbia Code title 24, section 203.

More recently, of course, Congress passed the Federal Rehabilitation Act—Public Law 89-176, approved September 10, 1965, 79 Stat. 674—enacted to facilitate the rehabilitation of persons convicted of offenses against the United States, which program the pending bill will implement.

The Federal act is broader in scope and applies to persons convicted of offenses against the United States. It authorizes the Attorney General—who under the United States Code designates where a convicted Federal prisoner shall be confined—to commit or transfer prisoners to so-called residential community treatment centers; to grant prisoners as to whom there is reasonable cause to believe they will honor their trust up to 30 days' leave for carefully specified purposes; and to permit such putatively trustworthy prisoners to work in paid private employment.

MAIN PROVISIONS OF THE BILL

Under the reported bill, S. 1319, the persons who would be eligible for work release privileges would be those who have been sentenced to a term of imprisonment in a correctional institution as a result of a conviction of the following criminal offenses in the District of Columbia.

First, conviction for a misdemeanor, or violation of a municipal regulation, or an act of Congress in the nature of a municipal regulation, and the penal sentence therefor is for a term of 1 year or less;

Second, conviction and imprisonment for nonpayment of a fine, or for contempt of court;

Third, committed to a prison term following a revocation of probation in offenses involving failure to make support payment to children born out of wedlock—District of Columbia Code, title 16, section 2350.

Under the amended bill the court is authorized to grant a work release privilege when the sentencing judge is satisfied that the ends of justice and the best interests of society as well as of the prisoner will be subserved thereby. The sentencing court shall provide in an appropriate order the conditions and terms under which an inmate granted a work release program may be released from actual custody during the time necessary to proceed to his place of employment or other authorized places, perform specified activities and return to a place of confinement designated by the Director, Department of Corrections.

A prisoner at the time of imposition of sentence or subsequently, may originate

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Public Law 89-670
89th Congress, H. R. 15963
October 15, 1966

An Act

80 STAT. 931

To establish a Department of Transportation, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Department of Transportation Act".

Department of
Transportation
Act.

DECLARATION OF PURPOSE

SEC. 2. (a) The Congress hereby declares that the general welfare, the economic growth and stability of the Nation and its security require the development of national transportation policies and programs conducive to the provision of fast, safe, efficient, and convenient transportation at the lowest cost consistent therewith and with other national objectives, including the efficient utilization and conservation of the Nation's resources.

(1) The Congress therefore finds that the establishment of a Department of Transportation is necessary in the public interest and to assure the coordinated, effective administration of the transportation programs of the Federal Government; to facilitate the development and improvement of coordinated transportation service, to be provided by private enterprise to the maximum extent feasible; to encourage cooperation of Federal, State, and local governments, carriers, labor, and other interested parties toward the achievement of national transportation objectives; to stimulate technological advances in transportation; to provide general leadership in the identification and solution of transportation problems; and to develop and recommend to the President and the Congress for approval national transportation policies and programs to accomplish these objectives with full and appropriate consideration of the needs of the public, users, carriers, industry, labor, and the national defense.

(2) It is hereby declared to be the national policy that special effort should be made to preserve the natural beauty of the countryside and public park and recreation lands, wildlife and waterfowl refuges, and historic sites.

ESTABLISHMENT OF DEPARTMENT

SEC. 3. (a) There is hereby established at the seat of government an executive department to be known as the Department of Transportation (hereafter referred to in this Act as the "Department"). There shall be at the head of the Department a Secretary of Transportation (hereafter referred to in this Act as the "Secretary"), who shall be appointed by the President, by and with the advice and consent of the Senate.

Secretary.

(b) There shall be in the Department an Under Secretary, who shall be appointed by the President, by and with the advice and consent of the Senate. The Under Secretary (or, during the absence or disability of the Under Secretary, or in the event of a vacancy in the office of Under Secretary, an Assistant Secretary or the General Counsel, determined according to such order as the Secretary shall prescribe) shall act for and exercise the powers of the Secretary, during the absence or disability of the Secretary or in the event of a vacancy in the office of Secretary. The Under Secretary shall perform such functions, powers, and duties as the Secretary shall prescribe from time to time.

Under Secretary.

(c) There shall be in the Department four Assistant Secretaries and a General Counsel, who shall be appointed by the President, by

Assistant Secre-
taries, General
Counsel.

and with the advice and consent of the Senate, and who shall perform such functions, powers, and duties as the Secretary shall prescribe from time to time.

Assistant Secretary for Administration.

(d) There shall be in the Department an Assistant Secretary for Administration, who shall be appointed, with the approval of the President, by the Secretary under the classified civil service who shall perform such functions, powers, and duties as the Secretary shall prescribe from time to time.

Administrations.

(e) (1) There is hereby established within the Department a Federal Highway Administration; a Federal Railroad Administration; and a Federal Aviation Administration. Each of these components shall be headed by an Administrator, and in the case of the Federal Aviation Administration there shall also be a Deputy Administrator. The Administrators and the Deputy Federal Aviation Administrator shall be appointed by the President, by and with the advice and consent of the Senate.

Federal Aviation Administrator, qualifications.

(2) The qualifications of the Administrator of the Federal Aviation Agency specified in section 301(b) of the Federal Aviation Act of 1958, as amended (72 Stat. 744; 49 U.S.C. 1341), and the qualifications and status of the Deputy Administrator specified in section 302(b) of the Federal Aviation Act of 1958, as amended (72 Stat. 744; 49 U.S.C. 1342), shall apply, respectively, to the Administrator and Deputy Administrator of the Federal Aviation Administration. However, nothing in this Act shall be construed to preclude the appointment of the present Administrator of the Federal Aviation Agency as Administrator of the Federal Aviation Administration in accordance with the provisions of the Act of June 22, 1965, as amended (79 Stat. 171).

49 USC 1341 note. Coast Guard.

(3) In addition to such functions, powers, and duties as are specified in this Act to be carried out by the Administrators, the Administrators and the Commandant of the Coast Guard shall carry out such additional functions, powers, and duties as the Secretary may prescribe. The Administrators and the Commandant of the Coast Guard shall report directly to the Secretary.

Transfer of powers prohibited.

(4) The functions, powers, and duties specified in this Act to be carried out by each Administrator shall not be transferred elsewhere in the Department unless specifically provided for by reorganization plan submitted pursuant to provisions of chapter 9 of title 5, United States Code, or by statute.

Ante, p. 393.

National Traffic Safety Bureau.

(f) (1) The Secretary shall carry out the provisions of the National Traffic and Motor Vehicle Safety Act of 1966 (80 Stat. 718) through a National Traffic Safety Bureau (hereafter referred to in this paragraph as "Bureau"), which he shall establish in the Department of Transportation. The Bureau shall be headed by a Director who shall be appointed by the President, by and with the advice and consent of the Senate, and shall be compensated at the rate prescribed for level V of the Executive Schedule. All other provisions of the National Traffic and Motor Vehicle Safety Act of 1966 shall apply.

Ante, p. 463.

National Highway Safety Bureau.

(2) The Secretary shall carry out the provisions of the Highway Safety Act of 1966 (80 Stat. 731) (including chapter 4 of title 23 of the United States Code) through a National Highway Safety Bureau (hereafter referred to in this paragraph as "Bureau"), which he shall establish in the Department of Transportation. The Bureau shall be headed by a Director who shall be appointed by the President, by and with the advice and consent of the Senate, who shall be compensated at the rate prescribed for level V of the Executive Schedule. All other provisions of the Highway Safety Act of 1966 shall apply.

(3) The President is authorized, as provided in section 201 of the Highway Safety Act of 1966, to carry out the provisions of the

National Traffic and Motor Vehicle Safety Act of 1966 through the Bureau and Director authorized by section 201 of the Highway Safety Act of 1966. Ante, p. 718.

(4) The office of Federal Highway Administrator, created by section 303 of title 23, United States Code, is hereby transferred to and continued within the Department under the title Director of Public Roads. Ante, p. 731.
The Director shall be the operating head of the Bureau of Public Roads, or any other agency created within the Department to carry out the primary functions carried out immediately before the effective date of this Act by the Bureau of Public Roads. Director of Public Road.
75 Stat. 822;
78 Stat. 425.

GENERAL PROVISIONS

SEC. 4. (a) The Secretary in carrying out the purposes of this Act shall, among his responsibilities, exercise leadership under the direction of the President in transportation matters, including those affecting the national defense and those involving national or regional emergencies; provide leadership in the development of national transportation policies and programs, and make recommendations to the President and the Congress for their consideration and implementation; promote and undertake development, collection, and dissemination of technological, statistical, economic, and other information relevant to domestic and international transportation; consult and cooperate with the Secretary of Labor in gathering information regarding the status of labor-management contracts and other labor-management problems and in promoting industrial harmony and stable employment conditions in all modes of transportation; promote and undertake research and development relating to transportation, including noise abatement, with particular attention to aircraft noise; consult with the heads of other Federal departments and agencies on the transportation requirements of the Government, including the procurement of transportation or the operation of their own transport services in order to encourage them to establish and observe policies consistent with the maintenance of a coordinated transportation system; and consult and cooperate with State and local governments, carriers, labor, and other interested parties, including, when appropriate, holding informal public hearings. Duties of Secretary.

(b)(1) In carrying out his duties and responsibilities under this Act, the Secretary shall be governed by all applicable statutes including the policy standards set forth in the Federal Aviation Act of 1958, as amended (49 U.S.C. 1301 et seq.); the national transportation policy of the Interstate Commerce Act, as amended (49 U.S.C., preceding §§ 1, 301, 901, and 1001); title 23, United States Code, relating to Federal-aid highways; and title 14 U.S.C., titles LII and LIII of the Revised Statutes (46 U.S.C., chs. 2A, 7, 11, 14, 15, and 18), the Act of April 25, 1940, as amended (54 Stat. 163; 46 U.S.C. 526-526u), and the Act of September 2, 1958, as amended (72 Stat. 1754; 46 U.S.C. 527-527h), relating to the United States Coast Guard. 72 Stat. 731.

24 Stat. 379.
72 Stat. 885.
23 USC 101-136.
63 Stat. 495.

(2) Nothing in this Act shall be construed to authorize, without appropriate action by Congress, the adoption, revision, or implementation of—

- (A) any transportation policy, or
- (B) any investment standards or criteria.

(3) In exercising the functions, powers, and duties conferred on and transferred to the Secretary by this Act, the Secretary shall give full consideration to the need for operational continuity of the functions transferred, to the need for effectiveness and safety in transportation systems, and to the needs of the national defense.

(c) Orders and actions of the Secretary or the National Transportation Safety Board in the exercise of functions, powers, and duties Judicial review.

transferred under this Act, and orders and actions of the Administrators pursuant to the functions, powers, and duties specifically assigned to them by this Act, shall be subject to judicial review to the same extent and in the same manner as if such orders and actions had been by the department or agency exercising such functions, powers, and duties immediately preceding their transfer. Any statutory requirements relating to notice, hearings, action upon the record, or administrative review that apply to any function transferred by this Act shall apply to the exercise of such functions by the Secretary, the Administrators, or the National Transportation Safety Board.

(d) In the exercise of the functions, powers, and duties transferred under this Act, the Secretary, the Administrators, and the National Transportation Safety Board shall have the same authority as that vested in the department or agency exercising such functions, powers, and duties immediately preceding their transfer, and their actions in exercising such functions, powers, and duties shall have the same force and effect as when exercised by such department or agency.

(e) It shall be the duty of the Secretary—

(1) to promptly investigate the safety compliance records in the Department of each applicant seeking operating authority from the Interstate Commerce Commission (referred to in this subsection as the "Commission") and to report his findings to the Commission;

(2) when the safety record of an applicant for permanent operating authority, or for approval of a proposed transaction involving transfer of operating authority, fails to satisfy the Secretary, to intervene and present evidence of such applicant's fitness in Commission proceedings;

(3) to furnish promptly upon request of the Commission a statement regarding the safety record of any applicant seeking temporary operating authority from the Commission; and

(4) (A) to furnish upon request of the Commission a complete report of the safety compliance of any carrier, (B) to have made such additional inspections or safety compliance surveys which the Commission deems necessary or desirable in order to process an application or to determine the fitness of a carrier, and (C) if the Commission so requests, to intervene and present evidence in any proceeding in which a determination of fitness is required.

(f) The Secretary shall cooperate and consult with the Secretaries of the Interior, Housing and Urban Development, and Agriculture, and with the States in developing transportation plans and programs that include measures to maintain or enhance the natural beauty of the lands traversed. After the effective date of this Act, the Secretary shall not approve any program or project which requires the use of any land from a public park, recreation area, wildlife and waterfowl refuge, or historic site unless (1) there is no feasible and prudent alternative to the use of such land, and (2) such program includes all possible planning to minimize harm to such park, recreational area, wildlife and waterfowl refuge, or historic site resulting from such use.

(g) The Secretary and the Secretary of Housing and Urban Development shall consult and exchange information regarding their respective transportation policies and activities; carry on joint planning, research and other activities; and coordinate assistance for local transportation projects. They shall jointly study how Federal policies and programs can assure that urban transportation systems most effectively serve both national transportation needs and the comprehensively planned development of urban areas. They shall, within one year after the effective date of this Act, and annually thereafter, report to the President, for submission to the Congress, on their studies

Safety records
of applicants,
investigation.

Transportation
activities.
Cooperation with
HUD Secretary.

Reports to Presi-
dent and Con-
gress.

and other activities under this subsection, including any legislative recommendations which they determine to be desirable. The Secretary and the Secretary of Housing and Urban Development shall study and report within one year after the effective date of this Act to the President and the Congress on the logical and efficient organization and location of urban mass transportation functions in the Executive Branch.

NATIONAL TRANSPORTATION SAFETY BOARD

SEC. 5. (a) There is hereby established within the Department a National Transportation Safety Board (referred to hereafter in this Act as "Board").

(b) There are hereby transferred to, and it shall be the duty of the Board to exercise, the functions, powers, and duties transferred to the Secretary by sections 6 and 8 of this Act with regard to—

Duties.

(1) determining the cause or probable cause of transportation accidents and reporting the facts, conditions, and circumstances relating to such accidents; and

(2) reviewing on appeal the suspension, amendment, modification, revocation, or denial of any certificate or license issued by the Secretary or by an Administrator.

(c) The Board shall exercise the functions, powers, and duties relating to aircraft accident investigations transferred to the Secretary by section 6(d) of this Act.

(d) The Board is further authorized to—

(1) make such recommendations to the Secretary or Administrators on the basis of the exercise of its functions, powers, and duties which, in its opinion, will tend to prevent transportation accidents and promote transportation safety;

(2) conduct special studies on matters pertaining to safety in transportation and the prevention of accidents;

(3) insure that in cases in which it is required to determine cause or probable cause, reports of investigation adequately state the circumstances of the accident involved;

(4) initiate on its own motion or conduct rail, highway, or pipeline accident investigations as the Board deems necessary or appropriate;

(5) make recommendations to the Secretary or Administrators concerning rules, regulations, and procedures for the conduct of accident investigations;

(6) request the Secretary or Administrators to initiate specific accident investigations or conduct further investigations as the Board determines to be necessary or appropriate;

(7) arrange for the personal participation of members or other personnel of the Board in accident investigations conducted by the Secretary or Administrators in such cases as it deems appropriate; and

(8) request from the Secretary or Administrators notification of transportation accidents and reports of such accidents as the Board deems necessary.

(e) Except as otherwise provided by statute, the Board shall make public all reports, orders, decisions, rules, and regulations issued pursuant to section 5(b)(1) and 5(b)(2), and the Board shall also make public—

Reports rules,
etc., avail-
ability.

(1) every recommendation made to the Secretary or an Administrator;

(2) every special study conducted; and

(3) every action of the Board requesting the Secretary or an Administrator to take action, pursuant to section 5(d)(1), (2), (3), (5), (6), or (8).

Report to
Congress.

Membership.

Terms of
office.

Chairman, Vice
Chairman.

Subpena power,
etc.

Delegation of
functions;
exceptions.

(f) In the exercise of its functions, powers, and duties, the Board shall be independent of the Secretary and the other offices and officers of the Department.

(g) The Board shall report to the Congress annually on the conduct of its functions under this Act and the effectiveness of accident investigations in the Department, together with such recommendations for legislation as it may deem appropriate.

(h) The Board shall consist of five members to be appointed by the President, by and with the advice and consent of the Senate. No more than three members of the Board shall be of the same political party. Members of the Board shall be appointed with due regard to their fitness for the efficient dispatch of the functions, powers, and duties vested in and imposed upon the Board, and may be removed by the President for inefficiency, neglect of duty, or malfeasance in office.

(i) Members of the Board shall be appointed for terms of five years, except that (1) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term, and (2) the five members first appointed shall serve for terms (designated by the President at the time of appointment) ending on the last day of the first, second, third, fourth, and fifth calendar years beginning after the year of enactment of this Act. Upon the expiration of his term of office, a member shall continue to serve until his successor is appointed and shall have qualified.

(j) The President shall designate from time to time one of the members of the Board as Chairman and one of the members as Vice Chairman, who shall act as Chairman in the absence or incapacity of the Chairman, or in the event of a vacancy in the office of the Chairman. The Chairman shall be the chief executive and administrative officer of the Board and shall exercise the responsibility of the Board with respect to (1) the appointment and supervision of personnel employed by the Board; (2) the distribution of business among the Board's personnel; and (3) the use and expenditure of funds. In executing and administering the functions of the Board on its behalf, the Chairman shall be governed by the general policies of the Board and by its decisions, findings, and determinations. Three of the members shall constitute a quorum of the Board.

(k) The Board is authorized to establish such rules, regulations, and procedures as are necessary to the exercise of its functions.

(l) In carrying out its functions, the Board (or, upon the authorization of the Board, any member thereof or any hearing examiner assigned to or employed by the Board) shall have the same powers as are vested in the Secretary to hold hearings, sign and issue subpoenas, administer oaths, examine witnesses, and receive evidence at any place in the United States it may designate.

(m) The Board may delegate to any officer or official of the Board, or, with the approval of the Secretary, to any officer or official of the Department such of its functions as it may deem appropriate, except that—

(1) with respect to aviation, the proviso in section 701(g) of the Federal Aviation Act of 1958, as amended (72 Stat. 782; 49 U.S.C. 1441(g)) shall apply to the Secretary, the Federal Aviation Administrator and their representatives, and

(2) the Board shall not delegate the appellate or determination of probable cause functions transferred to it by section 6(d) of this Act.

(n) Subject to the civil service and classification laws, the Board is authorized to select, appoint, employ, and fix compensation of such

officers and employees, including investigators, attorneys and hearing examiners, as shall be necessary to carry out its powers and duties under this Act.

(o) The Board is authorized, on a reimbursable basis when appropriate, to use the available services, equipment, personnel, and facilities of the Department and of other civilian or military agencies and instrumentalities of the Federal Government, and to cooperate with the Department and such other agencies and instrumentalities in the establishment and use of services, equipment, and facilities of the Board. The Board is further authorized to confer with and avail itself of the cooperation, services, records, and facilities of State, territorial, municipal, or other local agencies.

Cooperation
with other
agencies.

TRANSFERS TO DEPARTMENT

SEC. 6. (a) There are hereby transferred to and vested in the Secretary all functions, powers, and duties of the Secretary of Commerce and other offices and officers of the Department of Commerce under—

Commerce De-
partment.

(1) the following laws and provisions of law relating generally to highways:

(A) Title 23, United State Code, as amended.

72 Stat. 885.

(B) The Federal-Aid Highway Act of 1966 (80 Stat. 766).

(C) The Federal-Aid Highway Act of 1962, as amended (76 Stat. 1145; 23 U.S.C. 307 note).

(D) The Act of July 14, 1960, as amended (74 Stat. 526; 23 U.S.C. 313 note).

Ante, p. 730.

(E) The Federal-Aid Highway Act of 1954, as amended (68 Stat. 70).

(F) The Act of September 26, 1961, as amended (75 Stat. 670).

(G) The Highway Revenue Act of 1956, as amended (70 Stat. 387; 23 U.S.C. 120 note).

(H) The Highway Beautification Act of 1965, as amended (79 Stat. 1028; 23 U.S.C. 131 et seq. notes).

23 USC 136
note.

(I) The Alaska Omnibus Act, as amended (73 Stat. 141; 48 U.S.C. 21 note prec.).

(J) The Joint Resolution of August 28, 1965, as amended (79 Stat. 578; 23 U.S.C. 101 et seq. notes).

(K) Section 502(c) of the General Bridge Act of 1946, as amended (60 Stat. 847; 33 U.S.C. 525(c)).

(L) The Act of April 27, 1962, as amended (76 Stat. 59).

(M) Reorganization Plan No. 7 of 1949 (63 Stat. 1070; 5 U.S.C. 133z-15 note).

(2) the following laws and provisions of law relating generally to ground transportation:

(A) The Act of September 30, 1965, as amended (79 Stat. 893; 49 U.S.C. 1631 et seq.).

(B) The Urban Mass Transportation Act of 1964, as amended (78 Stat. 306, 49 U.S.C. 1607).

(3) the following laws and provisions of law relating generally to aircraft:

(A) The Act of September 7, 1957, as amended (71 Stat. 629; 49 U.S.C. 1324 note).

(B) Section 410 of the Federal Aviation Act of 1958, as amended (72 Stat. 769; 49 U.S.C. 1380).

(C) Title XIII of the Federal Aviation Act of 1958, as amended (72 Stat. 800; 49 U.S.C. 1531 et seq.).

Ante, p. 199.

(4) the following law relating generally to pilotage: The Great Lakes Pilotage Act of 1960, as amended (74 Stat. 259; 46 U.S.C. 216 et seq.).

(5) the following law to the extent it authorizes scientific and professional positions which relate primarily to functions transferred by this subsection: The Act of August 1, 1947, as amended (61 Stat. 715; 5 U.S.C. 1161).

(6) the following laws relating generally to traffic and highway safety:

(A) The National Traffic and Motor Vehicle Safety Act of 1966 (80 Stat. 718).

(B) The Highway Safety Act of 1966 (80 Stat. 731).

75 Stat. 789;
76 Stat. 863;
Ante, p. 262.

Coast Guard.

(b)(1) The Coast Guard is hereby transferred to the Department, and there are hereby transferred to and vested in the Secretary all functions, powers, and duties, relating to the Coast Guard, of the Secretary of the Treasury and of other officers and offices of the Department of the Treasury.

(2) Notwithstanding the transfer of the Coast Guard to the Department and the transfer to the Secretary of the functions, powers, and duties, relating to the Coast Guard, of the Secretary of the Treasury and of other officers and offices of the Department of the Treasury effected by the provisions of paragraph (1) of this subsection, the Coast Guard, together with the functions, powers, and duties relating thereto, shall operate as a part of the Navy, subject to the orders of the Secretary of the Navy, in time of war or when the President shall so direct, as provided in section 3 of title 14, United States Code, as amended.

63 Stat. 496.
General Counsel.

(3) Notwithstanding any other provision of this Act, the functions, powers, and duties of the General Counsel of the Department of the Treasury set out in chapter 47 of title 10, United States Code, as amended (Uniform Code of Military Justice), are hereby transferred to and vested in the General Counsel of the Department.

70A Stat. 36.
10 USC 801-940.

Federal Aviation Agency.

(c)(1) There are hereby transferred to and vested in the Secretary all functions, powers, and duties of the Federal Aviation Agency, and of the Administrator and other officers and offices thereof, including the development and construction of a civil supersonic aircraft: *Provided, however*, That there are hereby transferred to the Federal Aviation Administrator, and it shall be his duty to exercise the functions, powers, and duties of the Secretary pertaining to aviation safety as set forth in sections 306, 307, 308, 309, 312, 313, 314, 1101, 1105, and 1111, and titles VI, VII, IX, and XII of the Federal Aviation Act of 1958, as amended. In exercising these enumerated functions, powers, and duties, the Administrator shall be guided by the declaration of policy in section 103 of the Federal Aviation Act of 1958, as amended. Decisions of the Federal Aviation Administrator made pursuant to the exercise of the functions, powers, and duties enumerated in this subsection to be exercised by the Administrator shall be administratively final, and appeals as authorized by law or this Act shall be taken directly to the National Transportation Safety Board or to the courts, as appropriate.

49 USC 1347-1350,
1353-1355, 1501,
1505, 1511, 1421-
1430, 1441-1443,
1471-1474, 1521-
1523.

49 USC 1303.

(2) Nothing in this Act shall affect the power of the President under section 302(e) of the Federal Aviation Act of 1958 (72 Stat. 746, 49 U.S.C. 1343(c)) to transfer, to the Department of Defense in the event of war, any functions transferred by this Act from the Federal Aviation Agency.

Civil Aeronautics Board.

(d) There are hereby transferred to and vested in the Secretary all functions, powers, and duties of the Civil Aeronautics Board, and of the Chairman, members, officers, and offices thereof under titles VI (72 Stat. 775; 5 U.S.C. 1421 et seq.) and VII (72 Stat. 781; 49 U.S.C. 1441 et seq.) of the Federal Aviation Act of 1958, as amended: *Pro-*

vided, however, That these functions, powers, and duties are hereby transferred to and shall be exercised by the National Transportation Safety Board. Decisions of the National Transportation Safety Board made pursuant to the exercise of the functions, powers, and duties enumerated in this subsection shall be administratively final, and appeals as authorized by law or this Act shall be taken directly to the courts.

(e) There are hereby transferred to and vested in the Secretary all functions, powers, and duties of the Interstate Commerce Commission, and of the Chairman, members, officers, and offices thereof, under—

Interstate
Commerce Com-
mission.

(1) the following laws relating generally to safety appliances and equipment on railroad engines and cars, and protection of employees and travelers:

(A) The Act of March 2, 1893, as amended (27 Stat. 531; 45 U.S.C. 1 et seq.).

(B) The Act of March 2, 1903, as amended (32 Stat. 943; 45 U.S.C. 8 et seq.).

(C) The Act of April 14, 1910, as amended (36 Stat. 298; 45 U.S.C. 11 et seq.).

(D) The Act of May 30, 1908, as amended (35 Stat. 476; 45 U.S.C. 17 et seq.).

(E) The Act of February 17, 1911, as amended (36 Stat. 913; 45 U.S.C. 22 et seq.).

43 Stat. 659.

(F) The Act of March 4, 1915, as amended (38 Stat. 1192; 45 U.S.C. 30).

54 Stat. 148.

(G) Reorganization Plan No. 3 of 1965 (79 Stat. 1320).

5 USC 133z-15

(H) Joint Resolution of June 30, 1906, as amended (34 Stat. 838; 45 U.S.C. 35).

note.

(I) The Act of May 27, 1908, as amended (35 Stat. 325; 45 U.S.C. 36 et seq.).

(J) The Act of March 4, 1909, as amended (35 Stat. 965; 45 U.S.C. 37).

(K) The Act of May 6, 1910, as amended (36 Stat. 350; 45 U.S.C. 38 et seq.).

74 Stat. 903.

(2) the following law relating generally to hours of service of employees: The Act of March 4, 1907, as amended (34 Stat. 1415; 45 U.S.C. 61 et seq.).

(3) the following law relating generally to medals for heroism: The Act of February 23, 1905, as amended (33 Stat. 743; 49 U.S.C. 1201 et seq.).

71 Stat. 69.

(4) the following provisions of law relating generally to explosives and other dangerous articles: Sections 831-835 of title 18, United States Code, as amended.

74 Stat. 808;

79 Stat. 285.

(5) the following laws relating generally to standard time zones and daylight saving time:

(A) The Act of March 19, 1918, as amended (40 Stat. 450; 15 U.S.C. 261 et seq.).

Ante, p. 108.

(B) The Act of March 4, 1921, as amended (41 Stat. 1446; 15 U.S.C. 265).

(C) The Uniform Time Act of 1966, as amended (80 Stat. 107).

(6) the following provisions of the Interstate Commerce Act, as amended—

(A) relating generally to safety appliances methods and systems: Section 25 (49 U.S.C. 26).

50 Stat. 835;

54 Stat. 919.

(B) relating generally to investigation of motor vehicle sizes, weights, and service of employees: Section 226 (49 U.S.C. 325).

49 Stat. 566;

54 Stat. 929.

(C) relating generally to qualifications and maximum hours of service of employees and safety of operation and

49 Stat. 546.

70 Stat. 958.

68 Stat. 526.

52 Stat. 1240.

49 USC 324.

41 Stat. 475;

49 Stat. 551;

52 Stat. 1238.

Definitions.

Federal Railroad
Administrator.Federal Highway
Administrator.Department of
the Army.

equipment: Sections 204(a) (1) and (2), to the extent that they relate to qualifications and maximum hours of service of employees and safety of operation and equipment; and sections 204(a) (3), (3a), and (5) (49 U.S.C. 304).

(D) to the extent they relate to private carriers of property by motor vehicle and carriers of migrant workers by motor vehicle other than contract carriers: Sections 221(a), 221(c), and 224 (49 U.S.C. 321 et seq.).

(f) (1) Nothing in subsection (e) shall diminish the functions, powers, and duties of the Interstate Commerce Commission under sections 1(6), 206, 207, 209, 210a, 212, and 216 of the Interstate Commerce Act, as amended (49 U.S.C. 1(6), 306 et seq.), or under any other section of that Act not specifically referred to in subsection (e).

(2) (A) With respect to any function which is transferred to the Secretary by subsection (e) and which was vested in the Interstate Commerce Commission preceding such transfer, the Secretary shall have the same administrative powers under the Interstate Commerce Act as the Commission had before such transfer with respect to such transferred function. After such transfer, the Commission may exercise its administrative powers under the Interstate Commerce Act only with respect to those of its functions not transferred by subsection (e).

(B) For purposes of this paragraph—

(i) the term “function” includes power and duty, and

(ii) the term “administrative powers under the Interstate Commerce Act” means any functions under the following provisions of the Interstate Commerce Act, as amended: Sections 12, 13(1), 13(2), 14, 16(12), the last sentence of 18(1), sections 20 (except clauses (3), (4), (11), and (12) thereof), 204(a) (6) and (7), 204(c), 204(d), 205(d), 205(f), 220 (except subsection (c) and the proviso of subsection (a) thereof), 222 (except subsections (b) (2) and (b) (3) thereof), and 417(b) (1) (49 U.S.C. 12 et seq., 304 et seq., and 1017).

(3) (A) The Federal Railroad Administrator shall carry out the functions, powers, and duties of the Secretary pertaining to railroad and pipeline safety as set forth in the statutes transferred to the Secretary by subsection (e) of this section.

(B) The Federal Highway Administrator shall carry out the functions, powers, and duties of the Secretary pertaining to motor carrier safety as set forth in the statutes transferred to the Secretary by subsection (e) of this section.

(C) Decisions of the Federal Railroad Administrator and the Federal Highway Administrator (i) which are made pursuant to the exercise of the functions, powers, and duties enumerated in subparagraphs (A) and (B) of this paragraph to be carried out by the Administrators, and (ii) which involve notice and hearing required by law, shall be administratively final, and appeals as authorized by law or this Act shall be taken directly to the National Transportation Safety Board or the courts, as appropriate.

(g) There are hereby transferred to and vested in the Secretary all functions, powers, and duties of the Secretary of the Army and other officers and offices of the Department of the Army under—

(1) the following law and provisions of law relating generally to water vessel anchorages:

(A) Section 7 of the Act of March 4, 1915, as amended (38 Stat. 1053; 33 U.S.C. 471).

(B) Article 11 of section 1 of the Act of June 7, 1897, as amended (30 Stat. 98; 33 U.S.C. 180).

(C) Rule 9 of section 1 of the Act of February 8, 1895, as amended (28 Stat. 647; 33 U.S.C. 258).

(D) Rule numbered 13 of section 4233 of the Revised Statutes, as amended (33 U.S.C. 322).

(2) the following provision of law relating generally to drawbridge operating regulations: Section 5 of the Act of August 18, 1894, as amended (28 Stat. 362; 33 U.S.C. 499).

(3) the following law relating generally to obstructive bridges: The Act of June 21, 1940, as amended (54 Stat. 497; 33 U.S.C. 511 et seq.).

(4) the following laws and provisions of law relating generally to the reasonableness of tolls:

(A) Section 4 of the Act of March 23, 1906, as amended (34 Stat. 85; 33 U.S.C. 494).

(B) Section 503 of the General Bridge Act of 1946, as amended (60 Stat. 847; 33 U.S.C. 526).

(C) Section 17 of the Act of June 10, 1930, as amended (46 Stat. 552; 33 U.S.C. 498a).

(D) The Act of June 27, 1930, as amended (46 Stat. 821; 33 U.S.C. 498b).

(E) The Act of August 21, 1935, as amended (49 Stat. 670; 33 U.S.C. 503 et seq.).

(5) the following law relating to prevention of pollution of the sea by oil: The Oil Pollution Act, 1961, as amended (75 Stat. 402; 33 U.S.C. 1001 et seq.).

(6) the following laws and provision of law to the extent that they relate generally to the location and clearances of bridges and causeways in the navigable waters of the United States:

(A) Section 9 of the Act of March 3, 1899, as amended, (30 Stat. 1151; 33 U.S.C. 401).

(B) The Act of March 23, 1906, as amended (34 Stat. 84; 33 U.S.C. 491 et seq.).

(C) The General Bridge Act of 1946; as amended (60 Stat. 847; 33 U.S.C. 525 et seq.).

(h) The provisions of subchapter II of chapter 5 and of chapter 7 of title 5, United States Code, shall be applicable to proceedings by the Department and any of the administrations or boards within the Department established by this Act except that notwithstanding this or any other provision of this Act, the transfer of functions, powers, and duties to the Secretary or any other officer in the Department shall not include functions vested by subchapter II of chapter 5 of title 5, United States Code, in hearing examiners employed by any department, agency, or component thereof whose functions are transferred under the provisions of this Act.

Ante, pp. 381,
392.

(i) The administration of the Alaska Railroad, established pursuant to the Act of March 12, 1914, as amended (38 Stat. 308), and all of the functions authorized to be carried out by the Secretary of the Interior pursuant to Executive Order Numbered 11107, April 25, 1963 (28 F.R. 4225), relative to the operation of said Railroad, are hereby transferred to and vested in the Secretary of Transportation who shall exercise the same authority with respect thereto as is now exercised by the Secretary of the Interior pursuant to said Executive order.

32 CFR, 1959-
1963 Comp., p.
767.

TRANSPORTATION INVESTMENT STANDARDS

SEC. 7. (a) The Secretary, subject to the provisions of section 4 of this Act, shall develop and from time to time in the light of experience revise standards and criteria consistent with national transportation policies, for the formulation and economic evaluation of all proposals for the investment of Federal funds in transportation facilities or equipment, except such proposals as are concerned with (1) the acquisition of transportation facilities or equipment by Federal agencies in

providing transportation services for their own use; (2) an inter-oceanic canal located outside the contiguous United States; (3) defense features included at the direction of the Department of Defense in the design and construction of civil air, sea, and land transportation; (4) programs of foreign assistance; (5) water resource projects; or (6) grant-in-aid programs authorized by law. The standards and criteria developed or revised pursuant to this subsection shall be promulgated by the Secretary upon their approval by the Congress.

Water resources,
standards.

79 Stat. 245.

42 USC 1962a.

The standards and criteria for economic evaluation of water resource projects shall be developed by the Water Resources Council established by Public Law 89-80. For the purpose of such standards and criteria, the primary direct navigation benefits of a water resource project are defined as the product of the savings to shippers using the waterway and the estimated traffic that would use the waterway; where the savings to shippers shall be construed to mean the difference between (a) the freight rates or charges prevailing at the time of the study for the movement by the alternative means and (b) those which would be charged on the proposed waterway; and where the estimate of traffic that would use the waterway will be based on such freight rates, taking into account projections of the economic growth of the area.

The Water Resources Council established under section 101 of Public Law 89-80 is hereby expanded to include the Secretary of Transportation on matters pertaining to navigation features of water resource projects.

(b) Every survey, plan, or report formulated by a Federal agency which includes a proposal as to which the Secretary has promulgated standards and criteria pursuant to subsection (a) shall be (1) prepared in accord with such standards and criteria and upon the basis of information furnished by the Secretary with respect to projected growth of transportation needs and traffic in the affected area, the relative efficiency of various modes of transport, the available transportation services in the area, and the general effect of the proposed investment on existing modes, and on the regional and national economy; (2) coordinated by the proposing agency with the Secretary and, as appropriate, with other Federal agencies, States, and local units of government for inclusion of his and their views and comments; and (3) transmitted thereafter by the proposing agency to the President for disposition in accord with law and procedures established by him.

AMENDMENTS TO OTHER LAWS

SEC. 8. (a) Section 406(b) of the Federal Aviation Act of 1958, as amended (72 Stat. 763; 49 U.S.C. 1376(b)), is amended by adding the following sentence at the end thereof: "In applying clause (3) of this subsection, the Board shall take into consideration any standards and criteria prescribed by the Secretary of Transportation, for determining the character and quality of transportation required for the commerce of the United States and the national defense."

40 USC app. 201

(b) Section 201 of the Appalachian Regional Development Act of 1965, as amended (79 Stat. 10; 40 U.S.C. App. 206) is amended as follows:

(1) The first sentence of subsection (a) of that section is amended by striking the words "Commerce (hereafter in this section referred to as the 'Secretary')" and inserting in lieu thereof "Transportation".

(2) The last sentence of subsection (a) of that section is amended by inserting after the word "Secretary", the words "of Transportation".

(3) Subsection (b) of that section is amended by inserting after the word "Secretary", the words "of Commerce".

(4) Subsection (c) of that section is amended by striking the first sentence and inserting in lieu thereof the following sentence: "Such recommendations as are approved by the Secretary of Commerce shall be transmitted to the Secretary of Transportation for his approval."

(5) The second sentence of subsection (c) of that section is amended by inserting after the word "Secretary" the words "of Transportation".

(6) Subsection (e) of that section is amended by inserting after the word "Secretary" the words "of Transportation".

(7) Subsection (f) of that section is amended by inserting after the word "Secretary", the words "of Commerce and the Secretary of Transportation". Subsection (f) of that section is further amended by striking the word "determines" and inserting in lieu thereof "determine".

(8) Subsection (g) of that section is amended by striking the period at the end thereof and adding the following: "to the Secretary of Commerce, who shall transfer funds to the Secretary of Transportation for administration of projects approved by both Secretaries."

(c) Section 206(c) of the Appalachian Regional Development Act of 1965, as amended (79 Stat. 15; 40 U.S.C. App. 206), is amended inserting after "Interior," the words "Secretary of Transportation,".

(d) Section 212(a) of the Interstate Commerce Act, as amended (49 Stat. 555), is amended by striking "of the Commission" the second, third, and fourth times those words occur.

52 Stat. 1238.

49 USC 312.

(e) Section 13(b)(1) of the Fair Labor Standards Act of 1938, as amended (52 Stat. 1067), is amended by striking the words "Interstate Commerce Commission" and inserting in lieu thereof "Secretary of Transportation".

75 Stat. 73.

29 USC 213.

(f) The second sentence of section 3 of the Federal Explosives Act, as amended (40 Stat. 386; 50 U.S.C. 123) is amended to read as follows: "This Act shall not apply to explosives or ingredients which are in transit upon vessels; railroad cars, aircraft, or other conveyances in conformity with statutory law or with the rules and regulations of the Secretary of Transportation."

56 Stat. 1022.

(g) (1) Section 1 of the Act of May 13, 1954, as amended (68 Stat. 93; 33 U.S.C. 981), is amended to read as follows:

"SECTION 1. There is hereby created, subject to the direction and supervision of the Secretary of Transportation, a body corporate to be known as the Saint Lawrence Seaway Development Corporation (hereinafter referred to as the 'Corporation')."

(2) Notwithstanding any other provision of this Act, the Administrator of the Saint Lawrence Seaway Development Corporation shall report directly to the Secretary.

(h) Section 201 of the Highway Safety Act of 1966 (80 Stat. 731) is amended by striking the words "Federal Highway Administrator" and inserting in lieu thereof the words "Director of Public Roads", by striking the word "Agency" wherever it occurs in such section and inserting in lieu thereof the word "Bureau", and by striking "an Administrator" or "Administrator", wherever appearing therein, and inserting in lieu thereof "a Director" or "Director", respectively.

(i) Section 115 of the National Traffic and Motor Vehicle Safety Act of 1966 (80 Stat. 718) is amended by striking the word "Agency" wherever it occurs in such section and inserting in lieu thereof the word "Bureau", and by striking the word "Administrator" wherever it occurs in such section and inserting in lieu thereof the word "Director".

(j) Section 3(a) of the Marine Resources and Engineering Development Act of 1966 (80 Stat. 204) is amended by striking the words "the Treasury" and inserting in lieu thereof "Transportation".

Ante, p. 829.

(k) Section 2(e) of the Act of September 22, 1966, Public Law 89-599, is amended by striking the words "of Commerce" and inserting in lieu thereof the words "of Transportation".

ADMINISTRATIVE PROVISIONS

Appointment of
personnel.

SEC. 9. (a) In addition to the authority contained in any other Act which is transferred to and vested in the Secretary, the National Transportation Safety Board, or any other officer in the Department, the Secretary is authorized, subject to the civil service and classification laws, to select, appoint, employ, and fix the compensation of such officers and employees, including investigators, attorneys, and hearing examiners, as are necessary to carry out the provisions of this Act and to prescribe their authority and duties.

Experts and con-
sultants.

Ante, p. 416.

Detail of mili-
tary personnel
to department.

(b) The Secretary may obtain services as authorized by section 3109 of title 5 of the United States Code, but at rates not to exceed \$100 per diem for individuals unless otherwise specified in an appropriation Act.

(c) The Secretary is authorized to provide for participation of military personnel in carrying out the functions of the Department. Members of the Army, the Navy, the Air Force, or the Marine Corps may be detailed for service in the Department by the appropriate Secretary, pursuant to cooperative agreements with the Secretary of Transportation.

(d)(1) Appointment, detail, or assignment to, acceptance of, and service in any appointive or other position in the Department under the authority of section 9(c) and section 9(p) shall in no way affect status, office, rank, or grade which officers or enlisted men may occupy or hold or any emolument, perquisite, right, privilege, or benefit incident to or arising out of any such status, office, rank, or grade, nor shall any member so appointed, detailed, or assigned be charged against any statutory limitation on grades or strengths applicable to the Armed Forces. A person so appointed, detailed, or assigned shall not be subject to direction by or control by his armed force or any officer thereof directly or indirectly with respect to the responsibilities exercised in the position to which appointed, detailed, or assigned.

Report to con-
gressional com-
mittees.

(2) The Secretary shall report annually in writing to the appropriate committees of the Congress on personnel appointed and agreements entered into under subsection (c) of this section, including the number, rank, and positions of members of the armed services detailed pursuant thereto.

Delegation and
redelegation of
functions.

(e)(1) Except where this Act vests in any administration, agency or board, specific functions, powers, and duties, the Secretary may, in addition to the authority to delegate and redelegate contained in any other Act in the exercise of the functions transferred to or vested in the Secretary in this Act, delegate any of his residual functions, powers and duties to such officers and employees of the Department as he may designate, may authorize such successive redelegations of such functions, powers, and duties as he may deem desirable, and may make such rules and regulations as may be necessary to carry out his functions, powers, and duties.

(2) In addition to the authority to delegate and redelegate contained in any other Act, in the exercise of the functions transferred to or specified by this Act to be carried out by any officer in the Department, such officer may delegate any of such functions, powers, and duties to such other officers and employees of the Department as he may designate; may authorize such successive redelegations of such functions, powers, and duties as he may deem desirable; and may make such rules and regulations as may be necessary to carry out such functions, powers, and duties.

(3) The Administrators established by section 3(e) of this Act may not delegate any of the statutory duties and responsibilities specifically assigned to them by this Act outside of their respective administrations.

(f) The personnel, assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, available or to be made available, of the Federal Aviation Agency, and of the head and other officers and offices thereof, are hereby transferred to the Secretary: *Provided, however,* That the personnel, assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, available, or to be made available in carrying out the duties and functions transferred by this Act to the Secretary which are specified by this Act to be carried out by the Federal Aviation Administrator shall be assigned by the Secretary to the Federal Aviation Administrator for these purposes.

Federal Aviation Agency, transfer of functions, etc.

(g) So much of the positions, personnel, assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, available or to be made available in connection with the functions, powers, and duties transferred by sections 6 (except section 6(c)) and 8 (d) and (e) of this Act as the Director of the Bureau of the Budget shall determine shall be transferred to the Secretary: *Provided, however,* That the positions, personnel, assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, available, or to be made available, by the Civil Aeronautics Board in carrying out the duties transferred by this Act to be exercised by the National Transportation Safety Board shall be transferred to the National Transportation Safety Board. Except as provided in subsection (h), personnel engaged in functions, powers, and duties transferred under this Act shall be transferred in accordance with applicable laws and regulations relating to transfer of functions.

Civil Aeronautics Board, transfer of functions, etc.

(h) The transfer of personnel pursuant to subsections (f) and (g) of this section shall be without reduction in classification or compensation for one year after such transfer.

(i) In any case where all of the functions, powers, and duties of any office or agency, other than the Coast Guard, are transferred pursuant to this Act, such office or agency shall lapse. Any person who, on the effective date of this Act, held a position compensated in accordance with the Executive Schedule, and who, without a break in service, is appointed in the Department to a position having duties comparable to those performed immediately preceding his appointment shall continue to be compensated in his new position at not less than the rate provided for his previous position, for the duration of his service in his new position.

Compensation of transferred personnel.

(j) The Secretary is authorized to establish a working capital fund, to be available without fiscal year limitation, for expenses necessary for the maintenance and operation of such common administrative services as he shall find to be desirable in the interest of economy and efficiency in the Department, including such services as a central supply service for stationery and other supplies and equipment for which adequate stocks may be maintained to meet in whole or in part the requirements of the Department and its agencies; central messenger, mail, telephone, and other communications services; office space, central services for document reproduction, and for graphics and visual aids; and a central library service. The capital of the fund shall consist of any appropriations made for the purpose of providing capital (which appropriations are hereby authorized) and the fair and reasonable value of such

Working capital fund, establishment.

stocks of supplies, equipment, and other assets and inventories on order as the Secretary may transfer to the fund, less the related liabilities and unpaid obligations. Such funds shall be reimbursed in advance from available funds of agencies and offices in the Department, or from other sources, for supplies and services at rates which will approximate the expense of operation, including the accrual of annual leave and the depreciation of equipment. The fund shall also be credited with receipts from sale or exchange of property and receipts in payment for loss or damage to property owned by the fund. There shall be covered into the United States Treasury as miscellaneous receipts any surplus found in the fund (all assets, liabilities, and prior losses considered) above the amounts transferred or appropriated to establish and maintain said fund.

Official seal.

(k) The Secretary shall cause a seal of office to be made for the Department of such device as he shall approve, and judicial notice shall be taken of such seal.

Services for dependents at remote localities.

(l) In addition to the authority contained in any other Act which is transferred to and vested in the Secretary, the National Transportation Safety Board, or other officer in the Department, as necessary, and when not otherwise available, the Secretary is authorized to provide for, construct, or maintain the following for employees and their dependents stationed at remote localities:

- (1) Emergency medical services and supplies;
- (2) Food and other subsistence supplies;
- (3) Messing facilities;
- (4) Motion picture equipment and film for recreation and training;
- (5) Reimbursement for food, clothing, medicine, and other supplies furnished by such employees in emergencies for the temporary relief of distressed persons; and
- (6) Living and working quarters and facilities.

The furnishing of medical treatment under paragraph (1) and the furnishing of services and supplies under paragraphs (2) and (3) of this subsection shall be at prices reflecting reasonable value as determined by the Secretary, and the proceeds therefrom shall be credited to the appropriation from which the expenditure was made.

Gifts and bequests.

(m) (1) The Secretary is authorized to accept, hold, administer, and utilize gifts and bequests of property, both real and personal, for the purpose of aiding or facilitating the work of the Department. Gifts and bequests of money and the proceeds from sales of other property received as gifts or bequests shall be deposited in the Treasury in a separate fund and shall be disbursed upon order of the Secretary. Property accepted pursuant to this paragraph, and the proceeds thereof, shall be used as nearly as possible in accordance with the terms of the gift or bequest.

(2) For the purpose of Federal income, estate, and gift taxes, property accepted under paragraph (1) shall be considered as a gift or bequest to or for use of the United States.

Investment in U.S. securities.

(3) Upon the request of the Secretary, the Secretary of the Treasury may invest and reinvest in securities of the United States or in securities guaranteed as to principal and interest by the United States any moneys contained in the fund provided for in paragraph (1). Income accruing from such securities, and from any other property held by the Secretary pursuant to paragraph (1) shall be deposited to the credit of the fund, and shall be disbursed upon order of the Secretary.

Statistical studies.

(n) (1) The Secretary is authorized, upon the written request of any person, or any State, territory, possession, or political subdivision

thereof, to make special statistical studies relating to foreign and domestic transportation, and special studies relating to other matters falling within the province of the Department, to prepare from its records special statistical compilations, and to furnish transcripts of its studies, tables, and other records upon the payment of the actual cost of such work by the person or body requesting it.

(2) All moneys received by the Department in payment of the cost of work under paragraph (1) shall be deposited in a separate account to be administered under the direction of the Secretary. These moneys may be used, in the discretion of the Secretary, for the ordinary expenses incidental to the work and/or to secure in connection therewith the special services of persons who are neither officers nor employees of the United States.

Moneys for
special serv-
ices.

(o) The Secretary is authorized to appoint, without regard to the civil service laws, such advisory committees as shall be appropriate for the purpose of consultation with and advice to the Department in performance of its functions. Members of such committees, other than those regularly employed by the Federal Government, while attending meetings of such committees or otherwise serving at the request of the Secretary, may be paid compensation at rates not exceeding those authorized for individuals under subsection (b) of this section, and while so serving away from their homes or regular places of business, may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

Appointment of
advisory com-
mittees.

(p) (1) Notwithstanding any provision of this Act or other law, a member of the Coast Guard on active duty may be appointed, detailed, or assigned to any position in the Department other than Secretary, Under Secretary, and Assistant Secretary for Administration.

Ante, p. 499.

Coast Guard,
detail to De-
partment.

(2) Subject to the provisions of title 5, United States Code, a retired member of the Coast Guard may be appointed to any position in the Department.

Ante, p. 378.

(q) (1) The Secretary is authorized to enter into contracts with educational institutions, public or private agencies or organizations, or persons for the conduct of scientific or technological research into any aspect of the problems related to the programs of the Department which are authorized by statute.

Research con-
tracts.

(2) The Secretary shall require a showing that the institutions, agencies, organizations, or persons with which he expects to enter into contracts pursuant to this subsection have the capability of doing effective work. He shall furnish such advice and assistance as he believes will best carry out the mission of the Department, participate in coordinating all research initiated under this subsection, indicate the lines of inquiry which seem to him most important, and encourage and assist in the establishment and maintenance of cooperation by and between the institutions, agencies, organizations, or persons and between them and other research organizations, the Department, and other Federal agencies.

(3) The Secretary may from time to time disseminate in the form of reports or publications to public or private agencies or organizations, or individuals such information as he deems pertinent on the research carried out pursuant to this section.

(4) Nothing contained in this subsection is intended to amend, modify, or repeal any provisions of law administered by the Department which authorize the making of contracts for research.

CONFORMING AMENDMENTS TO OTHER LAWS

SEC. 10. (a) Section 19(d)(1) of title 3, United States Code, as amended, is hereby amended by striking out the period at the end thereof and inserting a comma and the following: "Secretary of Transportation."

62 Stat. 677;
79 Stat. 669.

Ante, p. 378.

(b) Section 101 of title 5 of the United States Code is amended by inserting at the end thereof the following:

"The Department of Housing and Urban Development.

"The Department of Transportation".

(c) The amendment made by subsection (b) of this section shall not be construed to make applicable to the Department any provision of law inconsistent with this Act.

(d) Subchapter II (relating to executive schedule pay rates) of chapter 53 of title V of the United States Code is amended as follows:

Ante, p. 460.

(1) Section 5312 is amended by adding at the end thereof the following:

"(11) Secretary of Housing and Urban Development.

"(12) Secretary of Transportation."

(2) Section 5313 is amended by striking out "(7) Administrator of the Federal Aviation Agency" and inserting in lieu thereof "(7) Under Secretary of Transportation", and by adding at the end thereof the following:

"(19) Administrator, Federal Aviation Administration."

(3) Section 5314 is amended by adding at the end thereof the following:

"(46) Administrator, Federal Highway Administration.

"(47) Administrator, Federal Railroad Administration.

"(48) Chairman, National Transportation Safety Board."

(4) Section 5315 is amended by adding at the end thereof the following:

"(78) Members, National Transportation Safety Board.

"(79) General Counsel, Department of Transportation.

"(80) Deputy Administrator, Federal Aviation Administration.

"(81) Assistant Secretaries of Transportation (4).

"(82) Director of Public Roads.

"(83) Administrator of the St. Lawrence Seaway Development Corporation."

(5) Section 5316 is amended by adding at the end thereof the following:

"(117) Assistant Secretary for Administration, Department of Transportation."

(6) Section 5317 is amended by striking out "thirty" and inserting in lieu thereof "thirty-four".

Repeals.

(e) Subsections 5314(6), 5315(2), and 5316 (10), (12), (13), (14), (76), and (82) of title 5 of the United States Code are repealed, subject to the provisions of section 9 of this Act.

68 Stat. 76.

(f) Title 18, United States Code, section 1020, as amended, is amended by striking the words "Secretary of Commerce" where they appear therein and inserting in lieu thereof "Secretary of Transportation".

70A Stat. 36.

(g) Subsection (1) of section 801, title 10, United States Code, as amended, is amended by striking out "the General Counsel of the Department of the Treasury" and inserting in lieu thereof "the General Counsel of the Department of Transportation".

ANNUAL REPORT

80 STAT. 949

SEC. 11. The Secretary shall, as soon as practicable after the end of each fiscal year, make a report in writing to the President for submission to the Congress on the activities of the Department during the preceding fiscal year.

SAVINGS PROVISIONS

SEC. 12. (a) All orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges—

(1) which have been issued, made, granted, or allowed to become effective—

(A) under any provision of law amended by this Act, or

(B) in the exercise of duties, powers, or functions which are transferred under this Act,

by (i) any department or agency, any functions of which are transferred by this Act, or (ii) any court of competent jurisdiction, and

(2) which are in effect at the time this Act takes effect,

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or repealed by the Secretary, Administrators, Board, or General Counsel (in the exercise of any authority respectively vested in them by this Act), by any court of competent jurisdiction, or by operation of law.

(b) The provisions of this Act shall not affect any proceedings pending at the time this section takes effect before any department or agency (or component thereof), functions of which are transferred by this Act; but such proceedings, to the extent that they relate to functions so transferred, shall be continued before the Department. Such proceedings, to the extent they do not relate to functions so transferred, shall be continued before the department or agency before which they were pending at the time of such transfer. In either case orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this Act had not been enacted; and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or repealed by the Secretary, Administrators, Board, or General Counsel (in the exercise of any authority respectively vested in them by this Act), by a court of competent jurisdiction, or by operation of law.

(c) (1) Except as provided in paragraph (2)—

(A) the provisions of this Act shall not affect suits commenced prior to the date this section takes effect, and

(B) in all such suits proceedings shall be had, appeals taken, and judgments rendered, in the same manner and effect as if this Act had not been enacted.

No suit, action, or other proceeding commenced by or against any officer in his official capacity as an officer of any department or agency, functions of which are transferred by this Act, shall abate by reason of the enactment of this Act. No cause of action by or against any department or agency, functions of which are transferred by this Act, or by or against any officer thereof in his official capacity shall abate by reason of the enactment of this Act. Causes of actions, suits, actions, or other proceedings may be asserted by or against the United States or such official of the Department as may be appropriate and, in any litigation pending when this section takes effect, the court may at any time, on its own motion or that of any party, enter an order which will give effect to the provisions of this subsection.

(2) If before the date on which this Act takes effect, any department or agency, or officer thereof in his official capacity, is a party to a suit, and under this Act—

(A) such department or agency is transferred to the Secretary, or

(B) any function of such department, agency, or officer is transferred to the Secretary,

then such suit shall be continued by the Secretary (except in the case of a suit not involving functions transferred to the Secretary, in which case the suit shall be continued by the department, agency, or officer which was a party to the suit prior to the effective date of this Act).

(d) With respect to any function, power, or duty transferred by this Act and exercised after the effective date of this Act, reference in any other Federal law to any department or agency, officer or office so transferred or functions of which are so transferred shall be deemed to mean the officer or agency in which this Act vests such function after such transfer.

SEPARABILITY

SEC. 13. If any provision of this Act or the application thereof by any person or circumstances is held invalid, the remainder of this Act, and the application of such provision to other persons or circumstances shall not be affected thereby.

CODIFICATION

SEC. 14. The Secretary is directed to submit to the Congress within two years from the effective date of this Act, a proposed codification of all laws that contain the powers, duties, and functions transferred to or vested in the Secretary or the Department by this Act.

EFFECTIVE DATE; INITIAL APPOINTMENT OF OFFICERS

Publication in
Federal Register.

SEC. 15. (a) This Act shall take effect ninety days after the Secretary first takes office, or on such prior date after enactment of this Act as the President shall prescribe and publish in the Federal Register.

(b) Any of the officers provided for in this Act may (notwithstanding subsection (a)) be appointed in the manner provided for in this Act, at any time after the date of enactment of this Act. Such officers shall be compensated from the date they first take office, at the rates provided for in this Act. Such compensation and related expenses of their offices shall be paid from funds available for the functions to be transferred to the Department pursuant to this Act.

Approved October 15, 1966, 1:25 p.m.

(over)

LEGISLATIVE HISTORY:

HOUSE REPORTS: No. 1701 (Comm. on Government Operations) and
No. 2236 (Comm. of Conference).

SENATE REPORTS: No. 1659 accompanying S. 3010 and No. 1660
(Comm. on Government Operations).

CONGRESSIONAL RECORD, Vol. 112 (1966):

Aug. 24, 29: Considered in House.

Aug. 30: Considered and passed House.

Sept. 29: Considered and passed Senate, amended, in lieu of
S. 3010.

Oct. 13: House and Senate agreed to conference report.

